

CITIGROUP INC  
Form S-3  
April 27, 2018  
Table of Contents

As filed with the Securities and Exchange Commission on April 27, 2018

Registration No. 333-

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM S-3**  
**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**

**Citigroup Inc.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**52-1568099**  
(I.R.S. Employer  
Identification Number)

**Citigroup Global Markets Holdings Inc.**

**(Exact name of registrant as specified in its charter)**

**New York**  
(State or other jurisdiction of  
incorporation or organization)

**11-2418067**  
(I.R.S. Employer  
Identification Number)

**(See table of Additional Registrants)**

**388 Greenwich Street**

**New York, New York 10013**

**(212) 559-1000**

**(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)**

**Jimmy Yang, Esq.**

**General Counsel - Capital Markets and Corporate Reporting**

**Citigroup Inc.**

**388 Greenwich Street**

**New York, New York 10013**

**(212) 559-1000**

**(Name, address, including zip code, and telephone number,  
including area code, of agent for service)**

*Copies to:*

**Jeffrey D. Karpf, Esq.**

**Cleary Gottlieb Steen & Hamilton LLP**

**One Liberty Plaza**

**New York, New York 10006**

**(212) 225-2000**

**Approximate date of commencement of proposed sale of the securities to the public:** From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer   Accelerated filer   Non-accelerated filer   Smaller reporting company  
(Do not check if a smaller reporting company) Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

**Table of Contents****CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered/Proposed maximum offering price per unit/Proposed maximum offering price(1)(2)</b>	<b>Amount of registration fee(3)(4)</b>
Debt Securities of Citigroup Inc.		
Common Stock Warrants of Citigroup Inc.		
Index Warrants of Citigroup Inc.		
Preferred Stock of Citigroup Inc.		
Depositary Shares of Citigroup Inc.		
Common Stock of Citigroup Inc.		
Stock Purchase Contracts of Citigroup Inc.		
Stock Purchase Units of Citigroup Inc.		
Debt Securities of Citigroup Global Markets Holdings Inc.		
Citigroup Inc. Guarantees of Debt Securities of Citigroup Global Markets Holdings Inc. (5)		
Debt securities, index warrants, preferred stock and depositary shares of Citigroup Inc. or its corporate predecessors, debt securities of Citigroup Global Markets Holdings Inc., capital securities of the Additional Registrants listed below and Citigroup Inc. guarantees of debt securities, index warrants and capital securities of Citigroup Global Markets Holdings Inc., the Additional Registrants and Citigroup Inc.'s corporate predecessors (2)		
<b>Total</b>	<b>\$100,000,000</b>	<b>\$12,450</b>

(1) The amount to be registered and the proposed maximum aggregate offering price per unit are not specified as to each class of securities to be registered pursuant to General Instruction II.D of Form S-3 under the Securities Act of 1933, as amended (the Securities Act). The aggregate maximum offering price of all securities issued pursuant to this Registration Statement shall not have a maximum aggregate offering price that exceeds \$100,000,000 in U.S. dollars or the equivalent at the time of offering in any other currency. The amount also includes such indeterminate principal amount, liquidation amount or number of identified classes of securities as may be issued upon conversion, exchange or exercise of other securities or that are issued in units or represented by depositary shares.

(2) Includes an unspecified number of securities that may be offered or sold by direct or indirect subsidiaries of the issuers in market-making transactions. These securities consist of an indeterminate amount of such securities that are initially being registered, and will initially be offered and sold, under this Registration Statement and an

indeterminate number or amount of such securities that were initially registered, and were initially offered and sold, under registration statements previously filed by Citigroup Inc., its corporate predecessors, Citigroup Global Markets Holdings Inc., or the Additional Registrants. All such market-making transactions with respect to these securities that are made pursuant to a registration statement after the effectiveness of this Registration Statement are being made solely pursuant to this Registration Statement.

- (3) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(o) under the Securities Act.
- (4) Pursuant to Rule 457(q) under the Securities Act, no separate registration fee is required for the registration of an indeterminate amount of securities to be offered solely for market-making purposes by direct or indirect subsidiaries of the issuers. Pursuant to Rule 457(n) under the Securities Act, no separate registration fee is payable for the guarantees being registered on this Registration Statement.
- (5) No separate consideration will be received for the guarantees being registered on this Registration Statement. THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVENESS UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

**Table of Contents**

**Table of Additional Registrants**

<b>Exact Name of Additional Registrant, as Specified in Charter</b>	<b>State or Other Jurisdiction of Incorporation or Organization</b>	<b>IRS Employer Identification No.</b>
Citigroup Capital XIII	Delaware	06-1532089
Citigroup Capital XVIII	Delaware	20-5127853

**Table of Contents**

**Explanatory Note**

This Registration Statement contains:

a form of base prospectus to be used by Citigroup Inc. in connection with offerings of its debt securities, common stock warrants, index warrants, preferred stock, depositary shares, stock purchase contracts, stock purchase units and common stock;

a form of prospectus supplement to the base prospectus relating to the offering by Citigroup Inc. of its Medium-Term Senior Notes, Series G, and Medium-Term Subordinated Notes, Series G;

a form of base prospectus to be used by Citigroup Global Markets Holdings Inc. in connection with offerings of its debt securities; and

a form of prospectus supplement to the base prospectus relating to the offering by Citigroup Global Markets Holdings Inc. of its Medium-Term Senior Notes, Series N.

Each of the base prospectuses and prospectus supplements also may be used by direct or indirect subsidiaries of Citigroup Inc., including Citigroup Global Markets Inc., or other affiliates in market-making transactions in the securities described therein after they are initially offered and sold.



**Table of Contents**

**This prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 27, 2018**

**PROSPECTUS**

May Offer

**Debt Securities**

**Common Stock Warrants**

**Index Warrants**

**Preferred Stock**

**Depositary Shares**

**Stock Purchase Contracts**

**Stock Purchase Units**

**Common Stock**

Citigroup will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus, the accompanying prospectus supplement and any applicable pricing supplement carefully before you invest. Citigroup may offer and sell these securities to or through one or more underwriters, dealers and agents, including Citigroup Global Markets Inc., a broker-dealer subsidiary of Citigroup, or directly to purchasers, on a continuous or delayed basis. The common stock of Citigroup Inc. is listed on the New York Stock Exchange and trades under the ticker symbol **C**.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus or any accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

These securities are not deposits or savings accounts but are unsecured obligations of Citigroup Inc. These securities are not insured or guaranteed by the Federal Deposit Insurance Corporation ( FDIC ) or any other governmental agency or instrumentality.

The date of this prospectus is \_\_\_\_\_, 2018.

**Table of Contents**

**PROSPECTUS SUMMARY**

This summary provides a brief overview of the key aspects of Citigroup and all material terms of the offered securities that are known as of the date of this prospectus. For a more complete understanding of the terms of the offered securities, before making your investment decision, you should carefully read:

this prospectus, which explains the general terms of the securities that Citigroup may offer;

the accompanying prospectus supplement, which (1) explains the specific terms of the securities being offered and (2) updates and changes information in this prospectus; and

the documents referred to in **Where You Can Find More Information** beginning on page 6 for information on Citigroup, including its financial statements.

**Citigroup Inc.**

Citigroup Inc. is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions. Citigroup has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. As of December 31, 2017, Citigroup operated, for management reporting purposes, via two primary business segments: *Global Consumer Banking* and *Institutional Clients Group*, with the remaining operations in *Corporate/Other*. Its businesses conduct their activities across the North America, Latin America, Asia and Europe, Middle East and Africa regions. Citigroup's principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Citibanamex, S.A. de C.V., each of which is a wholly owned, indirect subsidiary of Citigroup. Citigroup was incorporated in 1988 under the laws of the State of Delaware as a corporation with perpetual duration.

Citigroup's principal executive office is at 388 Greenwich Street, New York, NY 10013, and its telephone number is (212) 559-1000.

References in this prospectus to Citigroup, we, our or us are to Citigroup Inc., and not any of its subsidiaries, unless the context indicates otherwise.

**The Securities Citigroup May Offer**

Citigroup may use this prospectus to offer up to \$ \_\_\_\_\_ of:

debt securities;

common stock warrants;

index warrants;

preferred stock;

depository shares;

stock purchase contracts;

stock purchase units; and

common stock.

A prospectus supplement will describe the specific types, amounts, prices and detailed terms of, and important United States federal income tax considerations in respect of, any of these offered securities.

Any of these offered securities may be fully subordinated to interests held by the U.S. government in the event of a receivership, insolvency, liquidation or similar proceeding with respect to Citigroup, including a

---

**Table of Contents**

proceeding under the orderly liquidation authority provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (each, a liquidation event ). In addition, Citigroup believes that in case of a liquidation event, Citigroup's shareholders and unsecured creditors including holders of the offered securities will bear any losses resulting from the liquidation event. For more information, see Citigroup Inc. below.

**Debt Securities**

Debt securities are unsecured general obligations of Citigroup in the form of senior or subordinated debt. Senior debt includes Citigroup's notes, debt and guarantees and any other debt for money borrowed that is not subordinated. Subordinated debt, so designated at the time it is issued, would not be entitled to interest and principal payments if interest and principal payments on the senior debt were not made.

The senior and subordinated debt will be issued under separate indentures between Citigroup and a trustee. Below are summaries of the general features of the debt securities from these indentures, unless otherwise specified in connection with a particular offering. For a more detailed description of these features, see Description of Debt Securities below. You are also encouraged to read the indentures, including all supplements thereto, which are included or incorporated by reference in Citigroup's registration statement of which this prospectus forms a part, Citigroup's most recent Annual Report on Form 10-K, Citigroup's Quarterly Reports on Form 10-Q filed after the Form 10-K and Citigroup's Current Reports on Form 8-K filed after the period covered by Citigroup's most recent Annual Report on Form 10-K. You can receive copies of these documents by following the directions beginning on page 6.

*General Indenture Provisions that Apply to Senior and Subordinated Debt*

Neither indenture limits the amount of debt that Citigroup may issue or provides holders any protection should there be a highly leveraged transaction involving Citigroup, although the senior debt indenture does limit Citigroup's ability to pledge the stock of any subsidiary that meets the financial thresholds in the indenture. These thresholds are described below under Description of Debt Securities Covenants.

The senior debt indenture allows for different types of debt securities, including indexed securities, to be issued in series.

The indentures allow Citigroup to merge or to consolidate with another company or sell all or substantially all of its assets to one or more of its subsidiaries or to another company. If any of these events occur with another company, the other company generally would be required to assume Citigroup's responsibilities for the debt. Unless the transaction resulted in a default, Citigroup would be released from all liabilities and obligations under the debt securities when the other company assumed its responsibilities.

The indentures provide that holders of a majority of the total principal amount of the senior debt securities outstanding in any series and holders of a majority of the total principal amount of the subordinated debt securities outstanding in any series that, in each case, are affected by such change, may vote to change Citigroup's obligations or your rights concerning those securities. However, changes to the financial terms of that security, including changes in the payment of principal or interest on that security or, except in certain circumstances, the currency of payment, cannot be made unless every holder affected consents to the change.

Citigroup may satisfy its obligations under the debt securities or be released from its obligation to comply with certain limitations at any time by depositing sufficient amounts of cash and/or government securities with the trustee to pay Citigroup's obligations under the particular securities when due.

## **Table of Contents**

The indentures govern the actions of the trustee with regard to the debt securities, including when the trustee is required to give notices to holders of the securities and when lost or stolen debt securities may be replaced.

### *Events of Default and Defaults*

Unless otherwise specified in connection with a particular offering of senior debt, the only events of default specified in the senior debt indenture are:

failure to pay principal or required interest for 30 days after it is due; and

certain events of insolvency or bankruptcy, whether voluntary or not.

Only these events of default provide for a right of acceleration of the senior debt securities. No other event, including a default in the performance of any other covenant of Citigroup in the senior indenture or any other default that is not also an event of default, will result in acceleration.

Unless otherwise specified in connection with a particular offering of subordinated debt, the only events of default specified in the subordinated debt indenture are certain events of insolvency or bankruptcy, whether voluntary or not. Only these events of default provide for a right of acceleration of the subordinated debt securities. No other event, including a default in the payment of principal of, premium, if any, or interest on, subordinated debt securities, the performance of any other covenant of Citigroup in the subordinated indenture or any other default that is not also an event of default, will result in acceleration.

### *Remedies*

Senior Indenture: If there were an event of default, the trustee or holders of 25% of the principal amount of senior debt securities outstanding in a series could demand that the principal be paid immediately. However, holders of a majority in principal amount of the securities in that series could rescind that acceleration of the debt securities. The occurrence of a default for any reason other than (i) nonpayment of principal or interest that has continued for 30 days or (ii) certain events of insolvency or bankruptcy will not give the trustee or such holders the right to demand that the principal of the senior debt securities be paid immediately.

Subordinated Indenture: If there were an event of default, the trustee or holders of 25% of the principal amount of subordinated debt securities outstanding in a series could demand that the principal be paid immediately. However, holders of a majority in principal amount of the securities in that series may rescind that acceleration of the debt securities. The occurrence of a default for any reason other than certain events of insolvency or bankruptcy will not give the trustee or such holders the right to demand that the principal of the subordinated debt securities be paid immediately.

### *TLAC Eligibility*

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities are intended to qualify as eligible long-term debt for purposes of the Federal Reserve's total loss-absorbing capacity ( TLAC ) rule. As a result, in the event of a Citigroup bankruptcy or other resolution proceeding, Citigroup's losses and any losses incurred by its subsidiaries would be imposed first on Citigroup's shareholders and then on its unsecured creditors, including the holders of the debt securities. Further, in a bankruptcy or other resolution proceeding of Citigroup, any value realized by holders of the debt securities may not be sufficient to repay the amounts owed on the debt securities.

Edgar Filing: CITIGROUP INC - Form S-3

For more information about the final TLAC rule and its consequences for the debt securities, you should refer to the section **Managing Global Risk Liquidity Risk Long-Term Debt Total Loss-Absorbing Capacity (TLAC)** in Citigroup's most recent Annual Report on Form 10-K.



## **Table of Contents**

### **Common Stock Warrants**

Citigroup may issue common stock warrants and will do so under a separate common stock warrant agreement between Citigroup and a bank or trust company. You are encouraged to read the standard form of the common stock warrant agreement, which will be filed as an exhibit to one of Citigroup's future current reports and incorporated by reference in its registration statement of which this prospectus forms a part.

Common stock warrants are securities pursuant to which Citigroup may sell or purchase common stock. The particular terms of each issue of common stock warrants, the common stock warrant agreement relating to the common stock warrants and the common stock warrant certificates representing common stock warrants will be described in the applicable prospectus supplement.

### **Index Warrants**

Citigroup may issue index warrants and will do so under a separate index warrant agreement between Citigroup and a bank or trust company. You are encouraged to read the standard form of the index warrant agreement, which will be filed as an exhibit to one of Citigroup's future current reports and incorporated by reference in its registration statement of which this prospectus forms a part. You can receive copies of these documents by following the directions beginning on page 6.

Index warrants are securities that, when properly exercised by the purchaser, entitle the purchaser to receive from Citigroup an amount in cash or a number of securities that will be indexed to prices, yields, or other specified measures or changes in an index or differences between two or more indices.

The prospectus supplement for a series of index warrants will describe the formula for determining the amount in cash or number of securities, if any, that Citigroup will pay you when you exercise an index warrant and will contain information about the relevant underlying assets and other specific terms of the index warrant.

Citigroup will generally issue index warrants in book-entry form, which means that they will not be evidenced by physical certificates. Also, Citigroup will generally list index warrants for trading on a national securities exchange, such as the New York Stock Exchange ( NYSE ), NYSE Arca, the NASDAQ Global Market or the Chicago Board Options Exchange.

The index warrant agreement for any series of index warrants will provide that holders of a majority of the total principal amount of the index warrants outstanding in any series may vote to change their rights concerning those index warrants. However, changes to fundamental terms such as the amount or manner of payment on an index warrant or changes to the exercise times cannot be made unless every holder affected consents to the change.

Any prospective purchasers of index warrants should be aware of special United States federal income tax considerations applicable to instruments such as the index warrants. The prospectus supplement relating to each series of index warrants will describe the important tax considerations.

### **Preferred Stock**

Citigroup may issue preferred stock with various terms to be established by its board of directors or a committee designated by the board. Each series of preferred stock will be more fully described in the particular prospectus supplement that will accompany this prospectus, including redemption provisions, rights in the event of liquidation, dissolution or winding up of Citigroup, voting rights and conversion rights.



## **Table of Contents**

Generally, each series of preferred stock will rank on an equal basis with each other series of preferred stock and will rank prior to Citigroup's common stock. The prospectus supplement will also describe how and when dividends will be paid on the series of preferred stock.

## **Depository Shares**

Citigroup may issue depository shares representing fractional shares of preferred stock. Each particular series of depository shares will be more fully described in the prospectus supplement that will accompany this prospectus. These depository shares will be evidenced by depository receipts and issued under a deposit agreement between Citigroup and a bank or trust company. You are encouraged to read the standard form of the deposit agreement, which is incorporated by reference in Citigroup's registration statement of which this prospectus forms a part.

## **Stock Purchase Contracts and Stock Purchase Units**

Citigroup may issue stock purchase contracts, including contracts obligating holders to purchase from or sell to Citigroup, and Citigroup to sell to or purchase from the holders, a specified number of shares of common stock, shares of preferred stock or depository shares at a future date or dates. The stock purchase contracts may be issued separately or as part of stock purchase units, consisting of a stock purchase contract and any combination of debt securities, capital securities, junior subordinated debt securities or debt obligations of third parties, including U.S. Treasury securities. The applicable prospectus supplement will describe the terms of the stock purchase contracts and stock purchase units, including, if applicable, collateral or depository arrangements.

## **Common Stock**

Citigroup may issue common stock, par value \$0.01 per share. Holders of common stock are entitled to receive dividends when declared by Citigroup's board of directors. Each holder of common stock is entitled to one vote per share. The holders of common stock have no preemptive rights or cumulative voting rights.

## **Use of Proceeds**

Citigroup will use the net proceeds it receives from any offering of these securities for general corporate purposes, which may include funding its operating units and subsidiaries, financing possible acquisitions or business expansion and refinancing or extending the maturity of existing debt obligations. Citigroup may use a portion of the proceeds from the sale of index warrants and indexed notes to hedge its exposure to payments that it may have to make on such index warrants and indexed notes as described below under Use of Proceeds and Hedging.

## **Plan of Distribution**

Citigroup may sell the offered securities in any of the following ways:

to or through underwriters or dealers;

by itself directly;

through agents; or

through a combination of any of these methods of sale.

**Table of Contents**

The prospectus supplement will explain the ways Citigroup sells specific securities, including the names of any underwriters and details of the pricing of the securities, as well as the commissions, concessions or discounts Citigroup is granting the underwriters, dealers or agents.

If Citigroup uses underwriters in any sale, the underwriters will buy the securities for their own account and may resell the securities from time to time in one or more transactions, at a fixed public offering price or at varying prices determined at the time of sale. In connection with an offering, underwriters and selling group members and their affiliates may engage in transactions to stabilize, maintain or otherwise affect the market price of the securities, in accordance with applicable law.

Citigroup expects that the underwriters for any offering will include one or more of its broker-dealer subsidiaries, including Citigroup Global Markets Inc. These broker-dealer subsidiaries also expect to offer and sell previously issued offered securities as part of their business, and may act as a principal or agent in such transactions. Citigroup or any of its subsidiaries may use this prospectus and the related prospectus supplements and pricing supplements in connection with these activities. Offerings in which Citigroup's broker-dealer subsidiaries participate will conform with the requirements set forth in Rule 5121 of the Financial Industry Regulatory Authority, Inc. addressing conflicts of interest when distributing the securities of an affiliate. See below under Plan of Distribution.

**Ratio of Income to Fixed Charges and  
Ratio of Income to Combined Fixed Charges  
Including Preferred Stock Dividends**

The following table shows (1) the consolidated ratio of income to fixed charges and (2) the consolidated ratio of income to combined fixed charges including preferred stock dividends of Citigroup for each of the five most recent fiscal years.

	<b>Year Ended December 31,</b>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Ratio of income to fixed charges (excluding interest on deposits)	3.21	3.84	4.41	2.74	2.90
Ratio of income to fixed charges (including interest on deposits)	2.35	2.67	3.01	2.04	2.19
Ratio of income to combined fixed charges including preferred stock dividends (excluding interest on deposits)	2.98	3.48	4.08	2.64	2.87
Ratio of income to combined fixed charges including preferred stock dividends (including interest on deposits)	2.26	2.54	2.89	2.00	2.18

**Where You Can Find More Information**

As required by the Securities Act of 1933, Citigroup filed a registration statement relating to the securities offered by this prospectus with the Securities and Exchange Commission. This prospectus is a part of that registration statement, which includes additional information.

Citigroup files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document Citigroup files at the SEC's public reference room in Washington, D.C. You can also request copies of the documents, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings

are also available to the public from the SEC's web site at <http://www.sec.gov>.

**Table of Contents**

The SEC allows Citigroup to incorporate by reference the information it files with the SEC, which means that it can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that Citigroup files later with the SEC will automatically update information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the prospectus supplement. Citigroup incorporates by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (File No. 1-09924):

Annual Report on Form 10-K for the year ended December 31, 2017, filed on February 23, 2018;

Current Reports on Form 8-K filed on January 16, 2018 (to the extent filed with the SEC), January 24, 2018, January 24, 2018, February 16, 2018, March 19, 2018, April 13, 2018 (to the extent filed with the SEC) and April 23, 2018;

Definitive Proxy Statement on Schedule 14A, filed on March 15, 2018; and

Current Report on Form 8-K, dated May 11, 2009, describing Citigroup's common stock, including any amendments or reports filed for the purpose of updating such description.

In no event, however, will any of the information that Citigroup furnishes to, pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K (including exhibits related thereto) or other applicable SEC rules, rather than files with, the SEC be incorporated by reference or otherwise be included herein, unless such information is expressly incorporated herein by a reference in such furnished Current Report on Form 8-K or other furnished document.

All documents filed by Citigroup specified in Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of (1) the completion of the offering of the securities described in this prospectus and (2) the date the broker-dealer subsidiaries of Citigroup stop offering securities pursuant to this prospectus shall be incorporated by reference in this prospectus from the date of filing of such documents.

You may request a copy of these filings, at no cost, by writing or telephoning Citigroup at the following address:

Citigroup Document Services

540 Crosspoint Parkway

Getzville, NY 14068

(716) 730-8055 (tel.)

(877) 936-2737 (toll free)

You should rely only on the information provided in this prospectus, the prospectus supplement and any applicable pricing supplement, as well as the information incorporated by reference. Citigroup is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this

prospectus, the prospectus supplement, any applicable pricing supplement or any documents incorporated by reference is accurate as of any date other than the date of the applicable document.



---

**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus, the accompanying prospectus supplement and in other information incorporated by reference in this prospectus are forward-looking statements within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. Generally, forward-looking statements are not based on historical facts but instead represent only Citigroup's and its management's beliefs regarding future events. Such statements may be identified by words such as *believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, illustrate*, and similar expressions, or future or conditional verbs such as *will, should, would* and *could*.

Such statements are based on management's current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in this prospectus and the accompanying prospectus supplement, and the factors and uncertainties summarized under Forward-Looking Statements in Citigroup's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q and the factors listed and described under Risk Factors in Citigroup's most recent Annual Report on Form 10-K. Precautionary statements included in such filings should be read in conjunction with this prospectus and the accompanying prospectus supplement.

**RISK FACTOR RELATED TO FLOATING RATE DEBT SECURITIES**

**Certain base rates described herein refer to benchmarks, including LIBOR and EURIBOR, that may be discontinued or reformed, which may adversely affect the value of and return on floating rate debt securities.**

Certain base rates, including the London Interbank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) and other rates or indices described herein, are deemed to be benchmarks and are the subject of ongoing national and international regulatory scrutiny and reform. Some of these reforms are already effective, while others are still to be implemented or formulated. These reforms may cause such benchmarks to perform differently than they performed in the past or to be discontinued entirely and may have other consequences that cannot be predicted. Any such consequences could adversely affect the value of and return on any floating rate debt securities that refer, or are linked, to a benchmark to calculate interest or other payments due on those debt securities.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the discontinuance or unavailability of quotes of certain benchmarks.

To the extent interest payments on a floating rate debt security are linked to a specific benchmark that is discontinued or is no longer quoted, the applicable base rate will be determined using the alternative methods described in Description of Debt Securities Interest Rate Determination Floating Rate Notes. Any of these alternative methods may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on those debt securities if the relevant benchmark was available in its current form. Further, the same costs and risks that may lead to the discontinuation or unavailability of a benchmark may make one or more of the alternative methods impossible or impracticable to determine. Under most of the base rates described herein, the final alternative method sets the interest rate for an interest period at the same rate as the immediately preceding interest period. Any of the foregoing may have an adverse effect on the value of such debt securities.



**Table of Contents****Interest on floating rate debt securities linked to LIBOR will be determined using alternative methods if LIBOR is no longer available on the designated LIBOR page and will be calculated using a substitute or successor base rate selected by Citigroup if LIBOR is discontinued.**

If, during the term of any series of floating rate debt securities linked to LIBOR, the relevant LIBOR is no longer quoted on the designated LIBOR page described in Description of Debt Securities Interest Rate Determination Floating Rate Notes LIBOR Notes below, the relevant LIBOR will be determined using the alternative methods described in Description of Debt Securities Interest Rate Determination Floating Rate Notes LIBOR Notes below. Any of these alternative methods may result in interest payments on the notes that are lower than or do not otherwise correlate over time with the interest payments that would have been made on the floating rate debt securities if the designated LIBOR page had remained available. Any of the foregoing may have an adverse effect on the value of and return on the floating rate debt securities.

Additionally, if during the term of the floating rate debt securities linked to LIBOR, Citigroup (or an affiliate) determines that LIBOR has been discontinued or is permanently no longer being published, Citigroup (or such affiliate) will use a substitute or successor base rate that it has determined, in its sole discretion after consulting with any source it deems to be reasonable, to be the industry-accepted substitute or successor base rate, or, if there is no such industry-accepted substitute or successor base rate, a substitute or successor base rate that is most comparable to LIBOR. Citigroup (or such affiliate) also will determine, in its sole discretion after consulting with any source it deems to be reasonable, any adjustments to the relevant methodology or definitions for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to LIBOR, in a manner that is consistent with any industry-accepted practices for such substitute or successor base rate. The interests of Citigroup (or its affiliate) in making the determinations described above may be adverse to your interests as a holder of the floating rate debt securities and may have an adverse effect on the value of and return on the debt securities.

**CITIGROUP INC.**

Citigroup Inc. is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions. Citigroup has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. As of December 31, 2017, Citigroup operated, for management reporting purposes, via two primary business segments: *Global Consumer Banking* and *Institutional Clients Group*, with the remaining operations in *Corporate/Other*. Its businesses conduct their activities across the North America, Latin America, Asia and Europe, Middle East and Africa regions. Citigroup's principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Citibanamex, S.A. de C.V., each of which is a wholly owned, indirect subsidiary of Citigroup. Citigroup was incorporated in 1988 under the laws of the State of Delaware as a corporation with perpetual duration.

Citigroup is a holding company and services its obligations primarily by earnings from its operating subsidiaries. Citigroup may augment its capital through issuances of common stock, perpetual preferred stock and equity issued through awards under employee benefits plans, among other issuances. Citigroup and Citigroup'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. Citigroup's subsidiaries may be party to credit agreements that also may restrict their ability to pay dividends. Citigroup currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect Citigroup's ability to service its own debt. Citigroup must also maintain the required capital levels of a bank holding company, and must submit a capital plan, subjected to stress testing, to the Federal Reserve, to which the Board of Governors of the Federal Reserve System (the Federal Reserve) does not object, before it may

pay dividends on its stock.

**Table of Contents**

Under Title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act), Citigroup has developed a single point of entry resolution strategy and plan under the U.S. Bankruptcy Code. On July 1, 2017, Citigroup submitted its 2017 resolution plan to the Federal Reserve and FDIC. On December 19, 2017, the Federal Reserve and FDIC informed Citigroup that (i) the agencies jointly decided that Citigroup's 2017 resolution plan submission satisfactorily addressed the shortcomings identified in the 2015 resolution plan submission, and (ii) the agencies together did not identify any shortcomings or deficiencies in the 2017 resolution plan submission. Citigroup's next resolution plan submission is due July 1, 2019. For additional information on Citigroup's resolution plan submissions, you should refer to the section Risk Factors Strategic Risks in Citigroup's most recent Annual Report on Form 10-K.

Under Citigroup's resolution plan, only Citigroup, the parent holding company, would enter into bankruptcy, while Citigroup's material legal entities (as defined in the public section of its 2017 resolution plan, which can be found on the Federal Reserve and FDIC websites) would remain operational and outside of any resolution or insolvency proceedings. Citigroup believes its resolution plan has been designed to minimize the risk of systemic impact to the U.S. and global financial systems, while maximizing the value of the bankruptcy estate for the benefit of Citigroup's creditors, including its unsecured long-term debt holders. In addition, in line with the Federal Reserve's final TLAC rule, Citigroup believes it has developed the resolution plan so that Citigroup's shareholders and its unsecured creditors including the holders of the securities being offered by this prospectus bear any losses resulting from Citigroup's bankruptcy. Further, in a bankruptcy or other resolution proceeding of Citigroup, any value realized by holders of any of the securities offered by this prospectus may not be sufficient to repay the amounts owed on such securities. For more information about the final TLAC rule and its consequences for debt securities, you should refer to the section Managing Global Risk Liquidity Risk Long-Term Debt Total Loss-Absorbing Capacity (TLAC) in Citigroup's most recent Annual Report on Form 10-K.

In response to feedback received from the Federal Reserve and FDIC on Citigroup's 2015 resolution plan, Citigroup took the following actions in connection with its 2017 resolution plan submission (which, as noted above, did not contain any shortcomings or deficiencies):

- (i) Citicorp LLC (Citicorp), an existing wholly owned subsidiary of Citigroup, was established as an intermediate holding company (an IHC) for certain of Citigroup's operating material legal entities;
- (ii) Citigroup executed an inter-affiliate agreement with Citicorp, Citigroup's operating material legal entities and certain other affiliated entities pursuant to which Citicorp is required to provide liquidity and capital support to Citigroup's operating material legal entities in the event Citigroup were to enter bankruptcy proceedings (the Citi Support Agreement);
- (iii) pursuant to the Citi Support Agreement:

Citigroup made an initial contribution of assets, including certain high-quality liquid assets and inter-affiliate loans (Contributable Assets), to Citicorp, and Citicorp became the business as usual funding vehicle for Citigroup's operating material legal entities;

Citigroup will be obligated to continue to transfer Contributable Assets to Citicorp over time, subject to certain amounts retained by Citigroup to, among other things, meet Citigroup's near-term cash needs;

in the event of a Citigroup bankruptcy, Citigroup will be required to contribute most of its remaining assets to Citicorp; and

(iv) the obligations of both Citigroup and Citicorp under the Citi Support Agreement, as well as the Contributable Assets, are secured pursuant to a security agreement.

The Citi Support Agreement provides two mechanisms, besides Citicorp's issuing of dividends to Citigroup, pursuant to which Citicorp will be required to transfer cash to Citigroup during business as usual so that

**Table of Contents**

Citigroup can fund its debt service as well as other operating needs: (i) one or more funding notes issued by Citicorp to Citigroup and (ii) a committed line of credit under which Citicorp may make loans to Citigroup.

In addition to Citigroup's required resolution plan under Title I of the Dodd-Frank Act, Title II of the Dodd-Frank Act grants the FDIC the authority, under certain circumstances, to resolve systemically important financial institutions, including Citigroup. This resolution authority is commonly referred to as the FDIC's orderly liquidation authority. Under the FDIC's stated preferred single point of entry strategy for such resolution, the bank holding company (Citigroup) would be placed in receivership; the unsecured long-term debt and shareholders of the parent holding company would bear any losses; and the operating subsidiaries would be recapitalized. Any of the securities being offered by this prospectus may be fully subordinated to interests held by the U.S. government in the event of a receivership, insolvency, liquidation or similar proceeding with respect to Citigroup, including a proceeding under the orderly liquidity authority provisions of the Dodd-Frank Act.

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 to commit resources to its subsidiary banks when doing so is not otherwise in the interests of Citigroup or its shareholders or creditors.

The principal office of Citigroup is located at 388 Greenwich Street, New York, New York 10013, and its telephone number is (212) 559-1000.

**Table of Contents**

**USE OF PROCEEDS AND HEDGING**

*General.* Citigroup will use the proceeds it receives from the sale of the offered securities for general corporate purposes, which may include:

funding the business of its operating units;

funding investments in, or extensions of credit or capital contributions to, its subsidiaries;

financing possible acquisitions or business expansion; and

lengthening the average maturity of liabilities, which means that it could reduce its short-term liabilities or refund maturing indebtedness.

Citigroup expects to incur additional indebtedness in the future to fund its businesses. Citigroup or one or more subsidiaries may enter into a swap agreement in connection with the sale of the offered securities and may earn additional income from that transaction.

*Use of Proceeds Relating to Index Warrants and Indexed Notes.* Citigroup or one or more of its subsidiaries may use all or some of the proceeds received from the sale of index warrants or indexed notes to purchase or maintain positions in the underlying assets. Citigroup or one or more of its subsidiaries may also purchase or maintain positions in options, futures contracts, forward contracts or swaps, or options on the foregoing, or other derivative or similar instruments relating to the relevant index or underlying assets. Citigroup may also use the proceeds to pay the costs and expenses of hedging any currency, interest rate or other index-related risk relating to such index warrants and indexed notes.

Citigroup expects that it or one or more of its subsidiaries will increase or decrease their initial hedging position over time using techniques which help evaluate the size of any hedge based upon a variety of factors affecting the value of the underlying instrument. These factors may include the history of price changes in that underlying instrument and the time remaining to maturity. Citigroup or one or more of its subsidiaries may take long or short positions in the index, the underlying assets, options, futures contracts, forward contracts, swaps, or options on the foregoing, or other derivative or similar instruments related to the index or the underlying assets. These other hedging activities may occur from time to time before the index warrants and indexed notes mature and will depend on market conditions and the value of the index and the underlying assets.

In addition, Citigroup or one or more of its subsidiaries may purchase or otherwise acquire a long or short position in index warrants and indexed notes from time to time and may, in their sole discretion, hold, resell, exercise, cancel or retire such offered securities. Citigroup or one or more of its subsidiaries may also take hedging positions in other types of appropriate financial instruments that may become available in the future.

If Citigroup or one or more of its subsidiaries has a long hedge position in, or options, futures contracts or swaps or options on the foregoing, or other derivative or similar instruments related to, the index or underlying assets, Citigroup or one or more of its subsidiaries may liquidate all or a portion of its holdings at or about the time of the maturity or earlier redemption or repurchase of, or the payment of any indexed interest on, the index warrants and indexed notes.



The aggregate amount and type of such positions are likely to vary over time depending on future market conditions and other factors. Since the hedging activities described in this section involve risks and may be influenced by a number of factors, it is possible that Citigroup or one or more of its subsidiaries may receive a profit from the hedging activities, even if the market value of the index warrants or indexed notes declines. Citigroup is only able to determine profits or losses from any such position when the position is closed out and any offsetting position or positions are taken into account.

**Table of Contents**

Citigroup has no reason to believe that its hedging activities, as well as those of its subsidiaries, will have a material impact on the price of such options, futures contracts, forward contracts, swaps, options on the foregoing, or other derivative or similar instruments, or on the value of the index or the underlying assets. However, Citigroup cannot guarantee you that its hedging activities, as well as those of its subsidiaries, will not affect such prices or values. Citigroup will use the remainder of the proceeds from the sale of index warrants and indexed notes for the general corporate purposes described above.

---

**Table of Contents**

**EUROPEAN MONETARY UNION**

The foreign currencies in which debt securities may be denominated or payments in respect of index warrants may be due or by which amounts due on the offered securities may be calculated could be issued by countries that are member states of the European Union that have adopted or adopt the single Euro currency in accordance with the Treaty establishing the European Community (as that Treaty is amended from time to time) (the Participating Member States ).

The current nineteen Participating Member States are: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. Other member states of the European Union may also become participating member states of the single Euro currency.

**DESCRIPTION OF DEBT SECURITIES**

The debt securities offered by this prospectus will be unsecured obligations of Citigroup and will be either senior or subordinated debt. Senior debt securities will be issued under a senior debt indenture dated as of November 13, 2013, as supplemented. Subordinated debt securities will be issued under a subordinated debt indenture dated as of April 12, 2001, as supplemented. The senior debt indenture and any of its supplements and the subordinated debt indenture and any of its supplements are sometimes referred to in this prospectus individually as an indenture and collectively as the indentures. The indentures (or forms thereof) and any supplements have been filed with the SEC and are incorporated by reference or included in the registration statement on Form S-3 under the Securities Act of 1933, as amended, of which this prospectus forms a part.

The following briefly summarizes the material provisions of the indentures and the debt securities, other than pricing and related terms disclosed in the accompanying prospectus supplement or pricing supplement, as the case may be. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of an offering of debt securities, which will be described in more detail in the applicable prospectus supplement or pricing supplement, as the case may be. Copies of the indentures may be obtained from Citigroup or the applicable trustee. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections in the applicable indenture or, if no indenture is specified, to sections in each of the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statements in this prospectus are qualified by that reference. If any debt securities are to be issued under an indenture having terms that differ from those described below, the terms of such indenture will be as described in the applicable supplement for the offering of such debt securities.

As used in this prospectus, the term supplement means either a prospectus supplement or a pricing supplement, as applicable.

Unless otherwise specified in connection with a particular offering of debt securities, the trustee under the senior debt indenture and under the subordinated indenture will be The Bank of New York Mellon. Citigroup has appointed Citibank, N.A. to act as paying agent under each such indenture.

**General**

The indentures provide that unsecured senior or subordinated debt securities of Citigroup may be issued in one or more series, with different terms, in each case as authorized from time to time by Citigroup. Citigroup also has the

right to reopen a previous issue of a series of debt securities by issuing additional debt securities of such series.

**Table of Contents**

United States federal income tax consequences and other special considerations applicable to any debt securities issued by Citigroup at a discount or a premium will be described in the applicable supplement.

Because Citigroup is a holding company, the claims of creditors of Citigroup's subsidiaries will have a priority over Citigroup's equity rights and the rights of Citigroup's creditors, including the holders of debt securities, to participate in the assets of the subsidiary upon the subsidiary's liquidation.

The applicable supplement relating to any offering of debt securities will describe the following terms, where applicable:

the title of the debt securities;

whether the debt securities will be senior or subordinated debt;

the indenture under which the debt securities are being issued;

the total principal amount of the debt securities;

the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;

the maturity date or dates;

the date or dates on which the debt securities may be redeemed prior to maturity either at the option of Citigroup or a holder of debt securities, if applicable, the terms upon which such election may be made and the manner in which the early redemption amount will be calculated;

the interest rate or the method of computing the interest rate;

the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment date or dates and any related record dates;

if other than in U.S. dollars, the currency or currency unit in which payment will be made;

if the amount of any payment may be determined with reference to an index or formula based on a currency or currency unit other than that in which the debt securities are payable, the manner in which the amounts

will be determined;

if the amount of any payment may be determined with reference to an index or formula based on securities, commodities, intangibles, articles or goods, or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance, the manner in which the amount will be determined;

if any payments may be made at the election of Citigroup or a holder of debt securities in a currency or currency unit other than that in which the debt securities are stated to be payable, the periods within which, and the terms upon which, such election may be made;

if other than the principal amount, the portion of the principal amount of the debt securities payable if the maturity is accelerated;

the date of any global security if other than the original issuance of the first debt security to be issued;

any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities; and

any other specific terms of the debt securities (*Senior Debt Indenture, Section 3.01; Subordinated Debt Indenture, Section 2.02*).

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities are not redeemable prior to maturity, except upon the occurrence of certain tax events described below under Redemption for Tax Purposes. The redemption price for the debt securities upon the occurrence of certain tax events will be 100% of the principal amount thereof plus accrued interest to the date of the redemption.

**Table of Contents**

Unless otherwise specified, if optional redemption with a make-whole amount is specified in connection with a particular offering of debt securities, such debt securities may be redeemed at Citigroup's option, in whole at any time or in part from time to time, on or after the date specified in the supplement relating to such offering and, if applicable, prior to a date so specified, at a redemption price equal to the sum of: (i) 100% of the aggregate principal amount of the debt securities to be redeemed plus accrued and unpaid interest thereon to, but excluding, the date of redemption; and (ii) the Make-Whole Amount (as defined below), if any, with respect to such debt securities.

As used in connection with such optional redemption:

**Make-Whole Amount** means the excess, if any, of: (i) the aggregate present value as of the date of such redemption of each dollar of principal being redeemed and the amount of interest (exclusive of interest accrued to the date of redemption) that would have been payable in respect of each such dollar if such redemption had not been made, determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate (as defined below) (determined on the third business day preceding the date that notice of such redemption is given) from the respective dates on which such principal and interest would have been payable if such redemption had not been made, to the date of redemption, over (ii) the aggregate principal amount of the debt securities being redeemed.

**Reinvestment Rate** means the yield on Treasury securities at a constant maturity corresponding to the remaining life (as of the date of redemption, and rounded to the nearest month) to stated maturity or to such other date specified in connection with a particular offering of debt securities, of the principal being redeemed (the Treasury Yield), plus an additional number of basis points specified in the applicable supplement. For purposes hereof, the Treasury Yield shall be equal to the arithmetic mean of the yields published in the Statistical Release (as defined below) under the heading Week Ending for U.S. Government Securities Treasury Constant Maturities with a maturity equal to such remaining life; provided that if no published maturity exactly corresponds to such remaining life, then the Treasury Yield shall be interpolated or extrapolated on a straight-line basis from the arithmetic means of the yields for the next shortest and next longest published maturities. For purposes of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used. If the format or content of the Statistical Release changes in a manner that precludes determination of the Treasury Yield in the above manner, then the Treasury Yield shall be determined in the manner that most closely approximates the above manner, as reasonably determined by Citigroup.

**Statistical Release** means the statistical release designated H.15(519) or any successor publication which is published weekly by the Federal Reserve and which reports yields on actively traded United States government securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination under the senior debt indenture, then such other reasonably comparable index which shall be designated by Citigroup.

Calculation of the foregoing will be made by Citigroup or on our behalf by a person designated by us; *provided, however*, that such calculation shall not be a duty or obligation of the trustee.

In addition, if so specified in connection with a particular offering of securities, Citigroup may redeem a series of debt securities at Citigroup's option, in whole at any time or in part from time to time, on or after the date specified in the supplement relating to such offering, at a redemption price equal to 100% of the principal amount of the debt

securities being redeemed plus accrued and unpaid interest thereon to, but excluding, the date of redemption.

The redemption of any debt security that is included in Citigroup's capital and total loss-absorbing capacity may be subject to consultation with the Federal Reserve, which may not acquiesce in the redemption of such note unless it is satisfied that the capital position and total loss-absorbing capacity of Citigroup will be adequate after the proposed redemption.



**Table of Contents**

In the case of any optional redemption of only part of the debt securities of a particular series at the time outstanding, the debt securities to be redeemed will be selected not more than 60 days prior to the redemption date in accordance with the procedures of the applicable depository or, in the case of certificated debt securities, by the trustee by such method as the trustee shall deem appropriate.

If Citigroup elects to redeem debt securities, it will provide notice to the holders of record of the debt securities to be redeemed. Such notice will be at least 15 days and not more than 60 days before the date fixed for redemption. Each notice of redemption will state:

such election of Citigroup to redeem debt securities of such series;

the redemption date;

the redemption price;

CUSIP or ISIN number and/or common code of the debt securities to be redeemed;

that on the redemption date the redemption price will become due and payable upon each debt security to be redeemed, and that interest thereon will cease to accrue on and after said date; and

the place or places where the notes are to be surrendered for payment of the redemption price and that the debt securities designated in such notice for redemption are required to be presented on or after such redemption date at the designated place or places of payment.

Notwithstanding the foregoing, if the debt securities are held in book-entry form through The Depository Trust Company ( DTC ), Citigroup may give such notice in any manner permitted or required by DTC. See Book-Entry Procedures and Settlement Notices below.

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities are not subject to any sinking fund.

Unless otherwise specified in connection with a particular offering of debt securities, debt securities denominated in U.S. dollars will be issued only in denominations of \$1,000 and whole multiples of \$1,000 in excess thereof (*Senior Debt Indenture, Section 3.02*). The supplement relating to debt securities denominated in a foreign currency will specify the denomination of such debt securities.

The currency for payment for book-entry debt securities denominated in a foreign currency will be specified in the applicable supplement. However, when interests in such debt securities are held through DTC, all payments in respect of such debt securities will be made in U.S. dollars. See Book-Entry Procedures and Settlement and Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency Currency Conversion below.

Citigroup may, without notice to or consent of the holders or beneficial owners of a series of debt securities, issue additional debt securities having the same ranking, interest rate, maturity and other terms as the debt securities initially issued. Any such debt securities could be considered part of the same series of debt securities under the indenture as the debt securities initially issued.

The senior debt securities will be issued only in registered form. The subordinated debt securities may be issued in registered form, bearer form, or both; however, unless otherwise specified in connection with a particular offering of subordinated debt securities, the subordinated debt securities will be issued in registered form. If bearer securities are issued, the United States federal income tax consequences and other special considerations, procedures and limitations applicable to such bearer securities will be described in the applicable supplement. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under **Book-Entry Procedures and Settlement**.

**Table of Contents**

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal trust office of the relevant trustee in New York City. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but Citigroup may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer. (*Senior Debt Indenture, Section 3.06; Subordinated Debt Indenture, Section 2.05*) Debt securities in bearer form will be transferable by delivery. Provisions with respect to the exchange of debt securities in bearer form will be described in the applicable supplement.

Unless otherwise specified in connection with a particular offering of debt securities denominated in a foreign currency, a fiscal agency agreement will be entered into in relation to the debt securities between Citigroup and Citibank, N.A., London office, as registrar, fiscal agent and principal paying agent. The terms registrar, fiscal agent, and principal paying agent shall include any successors appointed from time to time in accordance with the provisions of the fiscal agency agreement, and any reference to an agent or agents shall mean any or all (as applicable) of such persons. The holders of the debt securities are bound by, and are deemed to have notice of, the provisions of the fiscal agency agreement. Unless otherwise specified in connection with a particular offering of debt securities, copies of the fiscal agency agreement are available for inspection during usual business hours at the principal office of Citibank, N.A. London office, located at Citigroup Centre, Canada Square, Canary Wharf, London, England, and at the office of Banque Internationale à Luxembourg S.A., as long as the debt securities are listed on the Luxembourg Stock Exchange.

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities are intended to qualify as eligible long-term debt for purposes of the TLAC rule. As a result, in the event of a Citigroup bankruptcy or other resolution proceeding, Citigroup's losses and any losses incurred by its subsidiaries would be imposed first on Citigroup's shareholders and then on its unsecured creditors, including the holders of the debt securities. Further, in a bankruptcy or other resolution proceeding of Citigroup, any value realized by holders of the debt securities may not be sufficient to repay the amounts owed on the debt securities. For more information about the final TLAC rule and its consequences for the debt securities, you should refer to the section Managing Global Risk Liquidity Risk Long-Term Debt Total Loss-Absorbing Capacity (TLAC) in Citigroup's most recent Annual Report on Form 10-K.

**Payments of Principal and Interest**

Payments of principal and interest on debt securities issued in book-entry form will be made as described below under Book-Entry Procedures and Settlement. Payments of principal and interest on debt securities issued in definitive form, if any, will be made as described below under Definitive Notes and Paying Agents.

Unless otherwise specified in connection with a particular offering of debt securities, interest on the debt securities will be paid as follows:

**Interest Payment Frequency**

Monthly

Quarterly

Semi-annually

**Interest Payment Dates**

Fifteenth day of each calendar month, beginning in the first calendar month following the month the debt security was issued.

Fifteenth day of every third month, beginning in the third calendar month following the month the debt security was issued.

Annually

Fifteenth day of every sixth month, beginning in the sixth calendar month following the month the debt security was issued.

Fifteenth day of every twelfth month, beginning in the twelfth calendar month following the month the debt security was issued.

---

## **Table of Contents**

Unless otherwise specified in connection with a particular offering of debt securities, all payments of interest on the debt securities will be made to the persons in whose names the notes are registered at the close of business on the Business Day preceding an interest payment date.

If an interest payment date for a fixed rate note or the maturity date of the debt securities falls on a day that is not a Business Day, the payment due on such interest payment date or on the maturity date will be postponed to the next succeeding Business Day, and no further interest will accrue in respect of such postponement. Unless otherwise specified in connection with a particular offering of debt securities, if an interest payment date for a floating rate note falls on a day that is not a Business Day, such interest payment date will be the next following Business Day unless that day falls in the next calendar month, in which case the interest payment date will be the first preceding Business Day.

Unless otherwise specified in connection with a particular offering of debt securities, in this section, **Business Day** means any day which is a day on which commercial banks settle payments and are open for general business (a) in New York, in the case of U.S. dollar-denominated debt securities; (b) in New York, London and Tokyo, in the case of Yen-denominated debt securities; (c) in New York, London and Sydney, in the case of Australian dollar (A\$)-denominated debt securities; and (d) in New York and London and which is also a TARGET business day (TARGET), in the case of Euro-denominated debt securities. A TARGET business day is a day on which TARGET 2 is open for the settlement of payment in Euro, and TARGET 2 is the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007. Unless otherwise specified in connection with a particular offering of debt securities, in the case of Canadian dollar-denominated debt securities, **Business Day** shall mean any Toronto business day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign currency deposits and foreign exchange) in Toronto.

If a date for payment of interest or principal on the debt securities falls on a day that is not a business day in the place of payment, such payment will be made on the next succeeding business day in such place of payment as if made on the date the payment was due. No interest will accrue on any amounts payable for the period from and after the due date for payment of such principal or interest.

## **Interest Rate Determination**

### *Fixed Rate Notes*

Unless otherwise specified in connection with a particular offering of debt securities, each fixed rate note will bear interest from its original issue date, or from the last interest payment date to which interest has been paid or duly provided for, at the rate per annum stated in the applicable supplement until its principal amount is paid or made available for payment.

Unless otherwise specified in connection with a particular offering of debt securities, interest on each fixed rate note will be payable semi-annually in arrears on the dates set forth in the applicable supplement, with each such day being an interest payment date, and at maturity. Unless otherwise specified in connection with a particular offering of debt securities, interest on U.S.-dollar-denominated fixed rate notes will be calculated on the basis of a 360-day year comprised of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed. The day-count for fixed rate notes denominated in any other currency will be set forth in the applicable supplement. All U.S. dollar, Canadian dollar and Euro amounts resulting from this calculation will be rounded to the nearest cent, with one-half cent being rounded upward. All Yen amounts resulting from this calculation will be rounded to the nearest Yen, with five-tenths or more of ¥1 to be rounded upwards to the nearest ¥1 per debt security. The rounding

convention for any other currency will be set forth in the applicable supplement. Interest on Australian dollar-denominated debt securities for any period will be calculated on the basis of the actual number of days elapsed and the actual number of days in the year. All Australian dollar amounts resulting from this calculation will be rounded to the nearest Australian dollar, with five-tenths or more of A\$1 to be rounded upwards to the nearest A\$1 per note.

---

**Table of Contents**

*Floating Rate Notes*

Each floating rate note will bear interest at the interest rate specified in the supplement relating to a particular series of debt securities. Unless otherwise specified in connection with a particular offering of debt securities, interest on each floating rate note will be payable quarterly in arrears on the dates set forth in the applicable supplement, with each such day being an interest payment date, and at maturity. Unless otherwise specified in connection with a particular offering of debt securities, interest on floating rate notes will be calculated on the basis of the actual number of days in an interest period and a 360-day year. An interest period is the period commencing on an interest payment date and ending on the day preceding the next following interest payment date. Interest on Australian dollar-denominated debt securities for any period will be calculated on the basis of the actual number of days elapsed and a 365-day year.

The first interest period will commence on the day the floating rate notes are issued and will end on the day preceding the next following interest payment date.

The interest rate for each offering of floating rate notes for a particular interest period will be a per annum rate equal to the base rate specified in the applicable supplement, as determined on the relevant interest determination date (defined below for each base rate), plus or minus any spread or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points specified in the applicable supplement and the spread multiplier is the percentage specified in the applicable supplement.

Each floating rate note will bear interest for each interest period at a rate determined by Citibank, N.A., acting as calculation agent. Promptly upon determination, the calculation agent will inform the trustee and Citigroup of the interest rate for the next interest period. Absent manifest error, the determination of the interest rate by the calculation agent shall be binding and conclusive on the holders of such floating rate notes, the trustee and Citigroup. As long as the floating rate notes are listed on the Luxembourg Stock Exchange, the Luxembourg Stock Exchange shall be notified of the interest rate, the amount of the interest payment and the interest payment date for a particular interest period not later than the first day of such interest period. Upon request from any noteholder, the calculation agent will provide the interest rate in effect on the notes for the current interest period and, if it has been determined, the interest rate to be in effect for the next interest period.

The applicable supplement will designate one of the following base rates as applicable to an offering of floating rate notes:

LIBOR;

the Treasury Rate;

the Prime Rate;

EURIBOR;

CDOR;

BBSW Rate; or

such other rate or interest rate formula as is set forth in the applicable supplement and in such floating rate note.

The following terms are used in describing the various base rates:

The index maturity is the period of maturity of the instrument or obligation from which the base rate is calculated.

H.15(519) means the publication entitled Statistical Release H.15(519), Selected Interest Rates, or any successor publication, published by the Federal Reserve.



**Table of Contents**

H.15 Daily Update means the daily update of the Federal Reserve at <http://www.federalreserve.gov/releases/H15/update> or any successor site or publication.

Unless otherwise specified in connection with a particular offering of debt securities, in this section, business day means:

for any floating rate note, any day that is not a Saturday or Sunday and that is not a day on which banking institutions generally are authorized or obligated by law or executive order to close in New York City, London, or the place in which the floating rate note or its coupon is to be presented for payment;

for LIBOR floating rate notes only, a London business day, which shall be any day on which dealings in deposits in the specified currency are transacted in the London interbank market;

for floating rate notes having a specified currency other than U.S. dollars only, other than Euro-denominated floating rate notes, any day that, in the principal financial center (as defined below) of the country of the specified currency, is not a day on which banking institutions generally are authorized or obligated by law to close;

for EURIBOR floating rate notes and Euro-denominated floating rate notes, a TARGET business day; and

for BBSW floating rate notes and Australian dollar-denominated floating rate notes, a New York, London and Sydney business day.

As used above, a principal financial center means the capital city of the country issuing the specified currency. However, for Australian dollars, Canadian dollars, New Zealand dollars and Swiss francs, the principal financial center may be specified in the applicable supplement as Sydney, Toronto, Auckland and Zurich, respectively.

Unless otherwise specified in connection with a particular offering of debt securities, each of the following base rates will be determined by the calculation agent as described below. Unless otherwise specified in connection with a particular offering of debt securities, all percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward. All currency amounts used in, or resulting from, the calculation on floating rate notes will be rounded to the nearest one-hundredth of a unit. For purposes of rounding, .005 of a unit shall be rounded upward.

*LIBOR Notes.* Each LIBOR note will bear interest for each interest period at an interest rate equal to LIBOR and any spread or spread multiplier specified in the note and the applicable supplement.

The calculation agent will determine LIBOR on each interest determination date. The interest determination date is the second London business day prior to each interest period.

On an interest determination date, the calculation agent will determine LIBOR for each interest period as follows.

The calculation agent will determine the offered rates for deposits in a principal amount equal to at least \$1,000,000 or the approximate equivalent in the specified currency for the period of the index maturity specified in the applicable supplement commencing on the interest determination date, which appear on the designated LIBOR page at approximately 11:00 a.m., London time, on that date.

If Reuters LIBOR01 is designated, or if no LIBOR page is specified in the applicable supplement as the method for calculating LIBOR, designated LIBOR page means the display on Reuters screen LIBOR01 for the purpose of displaying the London interbank offered rates of major banks for the

**Table of Contents**

specified currency. If the relevant Reuters page is replaced by another page, or if Reuters is replaced by a successor service, then Reuters LIBOR01 means the replacement page or service selected to display the London interbank offered rates of major banks for the specified currency.

If LIBOR cannot be determined on an interest determination date as described above, then the calculation agent will determine LIBOR as follows.

The calculation agent (after consultation with Citigroup) will select four major banks in the London interbank market.

The calculation agent will request that the principal London offices of those four selected banks provide their offered quotations to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the interest determination date. These quotations shall be for deposits in the specified currency for the period of the specified index maturity, commencing on the interest determination date. Offered quotations must be based on a principal amount equal to at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.

- (1) If two or more quotations are provided, LIBOR for the interest period will be the arithmetic average of those quotations.
- (2) If fewer than two quotations are provided, the calculation agent (after consultation with Citigroup) will select three major banks in New York City and follow the steps in the two bullet points below.

The calculation agent will then determine LIBOR for the interest period as the arithmetic average of rates quoted by those three major banks in New York City to leading European banks at approximately 11:00 a.m., New York City time, on the interest determination date. The rates quoted will be for loans in the specified currency, for the period of the specified index maturity, commencing on the interest determination date. Rates quoted must be based on a principal amount of at least \$1,000,000 or the approximate equivalent in the specified currency that is representative of a single transaction in such market at that time.

If fewer than three New York City banks selected by the calculation agent are quoting rates, LIBOR for the interest period will be the same as for the immediately preceding interest period.

Notwithstanding the foregoing two paragraphs, if, on or prior to any interest determination date, Citigroup (or one of its affiliates) determines that LIBOR has been discontinued or is permanently no longer being published, Citigroup (or such affiliate) will use a substitute or successor base rate that it has determined, in its sole discretion after consulting any source it deems to be reasonable, is (i) the industry-accepted substitute or successor base rate or (ii) if there is no such industry-accepted substitute or successor base rate, a substitute or successor base rate that is most comparable to LIBOR.

Upon selection of a substitute or successor base rate, Citigroup (or such affiliate) may determine, in its sole discretion after consulting any source it deems to be reasonable, the day count, the business day convention, the definition of business day, the interest determination date and any other relevant methodology or definition for calculating such

substitute or successor base rate, including any adjustment factor it determines is needed to make such substitute or successor base rate comparable to LIBOR, in a manner that is consistent with any industry-accepted practices for such substitute or successor base rate.

*Treasury Rate Notes.* Each Treasury Rate note will bear interest for each interest period at an interest rate equal to the Treasury Rate and any spread or spread multiplier, specified in the note and the applicable supplement.

The calculation agent will determine the Treasury Rate on each interest determination date. The interest determination date for each interest period will be the day of the week in which the beginning of that interest period falls on which treasury securities are normally auctioned. Treasury securities are normally sold at auction on Monday of each week unless that day is a legal holiday. In that case the auction is normally held on the

---

**Table of Contents**

following Tuesday, except that the auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is held on the Friday of the week preceding an interest period, that Friday will be the interest determination date pertaining to the interest period commencing in the next succeeding week. If an auction date falls on any day that would otherwise be an interest determination date for a Treasury Rate note, then that interest determination date will instead be the business day immediately following the auction date.

Unless Constant Maturity is specified in the applicable supplement, the Treasury Rate for each interest period will be the rate for the auction held on the Treasury Rate determination date for such interest period of treasury securities (as defined below) as such rate appears on Reuters (or any successor service) on page USAUCTION10 (or any other page as may replace such page on such service) ( Reuters Page USAUCTION10 ) or page USAUCTION11 (or any other page as may replace such page on such service) ( Reuters Page USAUCTION11 ) opposite the caption INVEST RATE. Treasury securities are direct obligations of the United States that have the index maturity specified in the applicable Note or supplement.

If the Treasury Rate cannot be determined as described above, the following procedures will be followed in the order set forth below.

- (1) If the Treasury rate is not published prior to 3:00 p.m., New York City time on the earlier of 1) the tenth calendar day after the interest determination date or, if that day is not a business day, the next succeeding business day, or 2) the business day immediately preceding the applicable interest payment date or maturity date, as the case may be (the calculation date ), then the Treasury Rate will be the Bond Equivalent Yield (as defined below) of the rate for the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption U.S. Government Securities/Treasury Bills/Auction High on the interest determination date.
- (2) If the rate referred to in clause (1) is not so published by 3:00 p.m., New York City time, on the calculation date, the Treasury Rate will be the Bond Equivalent Yield of the auction rate of the applicable treasury securities as announced by the United States Department of the Treasury on the interest determination date.
- (3) If the rate referred to in clause (2) above is not so announced by the United States Department of the Treasury, or if the auction is not held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on the interest determination date of the applicable treasury securities published in H.15(519) opposite the caption U.S. Government Securities/Treasury Bills/Secondary Market.
- (4) If the rate referred to in clause (3) is not so published by 3:00 p.m., New York City time, on the calculation date, then the Treasury Rate will be the rate on the calculation date of the applicable treasury securities as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption U.S. Government Securities/Treasury Bills/Secondary Market on the interest determination date.

- (5) If the rate referred to in clause (4) is not so published by 3:00 p.m., New York City time, on the calculation date, then the Treasury Rate will be the rate calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the interest determination date, of three primary United States government securities dealers selected by the calculation agent (after consultation with Citigroup), for the issue of treasury securities with a remaining maturity closest to the index maturity specified in the applicable supplement.
  
- (6) If the dealers selected by the calculation agent are not quoting bid rates as mentioned in (5) above, then the Treasury Rate for such interest period will be the same as the Treasury Rate for the immediately preceding interest period. If there was no preceding interest period, the Treasury Rate will be the initial interest rate.

**Table of Contents**

Bond Equivalent Yield will be expressed as a percentage and calculated as follows:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 (D \times M)} \times 100$$

where  $D$  refers to the applicable per annum rate for treasury securities quoted on a bank discount basis and expressed as a decimal,  $N$  refers to 365 or 366, as the case may be, and  $M$  refers to the actual number of days in the applicable interest period.

*Prime Rate Notes.* Prime Rate notes will bear interest at a rate equal to the Prime Rate and any spread or spread multiplier specified in the Prime Rate notes and the applicable supplement.

The calculation agent will determine the Prime Rate for each interest period on each interest determination date. The interest determination date is the second business day prior to each interest period. The Prime Rate will be the rate made available and subsequently published on that date in H.15(519) opposite the caption Bank Prime Loan.

The following procedures will be followed if the Prime Rate cannot be determined as described above.

If the rate is not published prior to 3:00 p.m., New York City time, on the calculation date, then the Prime Rate will be the rate on the interest determination date that is published in the H.15 Daily Update other recognized electronic source used for the purpose of displaying that rate, opposite the caption Bank Prime Loan.

If the rate referred to above is not published prior to 3:00 p.m., New York City time, on the calculation date, then the Prime Rate will be the arithmetic mean of the rates of interest that appear on the USPRIME1 page (or such other page as may replace such page on such service for the purpose of displaying prime rates or base lending rates of major United States banks) as such bank's prime rate or base lending rate as of 11:00 a.m., New York City time, on the interest determination date.

If fewer than four such rates appear on the Reuters Screen USPRIME1 page, then the calculation agent will select three major banks in New York City (after consultation with Citigroup). The Prime Rate will be the arithmetic average of the prime rates quoted by those three banks on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the interest determination date.

If the banks that the calculation agent selects do not provide quotations as described above, then the Prime Rate will remain the same as the Prime Rate for the immediately preceding interest period, or if there was no interest period, the rate of interest payable will be the initial interest rate.

Reuters Screen USPRIME1 page means the display which appears on the display on Reuters (or any successor service) as page USPRIME1 (or any other page as may replace such page), for the purpose of displaying prime rates or base lending rates of major United States banks.

*EURIBOR Notes.* Each EURIBOR note will bear interest for each interest period at an interest rate equal to EURIBOR and any spread or spread multiplier specified in the note and the applicable supplement.

The calculation agent will determine EURIBOR on each interest determination date. The interest determination date is the second TARGET business day prior to each interest period.

On an interest determination date, the calculation agent will determine EURIBOR for each interest period as follows.

The calculation agent will determine the offered rates for deposits in euros for the period of the index maturity specified in the applicable supplement, in amounts of at least 1,000,000, commencing on the interest determination date, which appears on the display on Reuters (or any successor service) on EURIBOR1 (or any other page as may replace such page on such service) as of 11:00 a.m., Brussels time, on that date.



**Table of Contents**

If EURIBOR cannot be determined on an interest determination date as described above, then the calculation agent will determine EURIBOR as follows.

The calculation agent (after consultation with Citigroup) will select four major banks in the Euro-zone interbank market.

The calculation agent will request that the principal Euro-zone offices of those four selected banks provide their offered quotations to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on the interest determination date. These quotations shall be for deposits in Euros for the period of the specified index maturity, commencing on the interest determination date. Offered quotations must be based on a principal amount equal to at least 1,000,000 that is representative of a single transaction in such market at that time.

- (1) If two or more quotations are provided, EURIBOR will be the arithmetic average of those quotations.
- (2) If less than two quotations are provided, the calculation agent (after consultation with Citigroup) will select three major banks in the Euro-zone and follow the steps in the two bullet points below.

The calculation agent will then determine EURIBOR for the interest period as the arithmetic average of rates quoted by those three major banks in the Euro-zone to leading European banks at approximately 11:00 a.m., Brussels time, on the interest determination date. The rates quoted will be for loans in Euros, for the period of the specified index maturity, commencing on the interest determination date. Rates quoted must be based on a principal amount of at least 1,000,000 that is representative of a single transaction in such market at that time.

If the banks so selected by the calculation agent are not quoting rates as described above, EURIBOR for the interest period will be the same as for the immediately preceding interest period.

**Euro-zone** means the region comprised of member states of the European Union that adopted the Euro as their single currency.

**CDOR Rate Notes.** Each CDOR note will bear interest for each interest period at an interest rate equal to the Canadian dollar three-month Banker's Acceptance Rate ( CDOR ) and any spread or spread multiplier specified in the note and the applicable supplement.

The calculation agent will determine CDOR on each interest determination date. The interest determination date is the first day of such interest period. CDOR will be the offered rate for Canadian dollar bankers' acceptances having a maturity of three months, as such rate appears on the Reuters Screen CDOR page, or such other replacing service or such other service that may be nominated by the person sponsoring the information appearing there for the purpose of displaying offered rates for Canadian dollar bankers' acceptances having a maturity of three months, at approximately 10:00 a.m., Toronto time, on such interest determination date.

The following procedures will be followed if CDOR cannot be determined as described above.

If the rate is not published prior to 10:00 a.m., Toronto time, on the interest determination date, then CDOR will be the average of the bid rates of interest for Canadian dollar bankers' acceptances with maturities of three months for same day settlement as quoted by such of the Schedule I banks (as defined in the Bank Act (Canada)) as may quote such a rate as of 10:00 a.m., Toronto time, on such interest determination date.

If no offered rate appears on Reuters Screen CDOR page on an interest determination date at approximately 10:00 a.m., Toronto time, then CDOR will be the average of the bid rates of interest for Canadian dollar bankers' acceptances with maturities of three months for same day settlement as quoted by such of the Schedule I banks (as defined in the Bank Act (Canada)) as may quote such a rate as of 10:00 a.m., Toronto time, on such interest determination date. If at least two quotations are provided, CDOR will be the arithmetic average of the quotations provided.

---

## **Table of Contents**

If the Schedule I banks so selected by the calculation agent are not quoting as mentioned above, CDOR for the next interest period will be the rate in effect for the preceding interest period.

*Floating/Fixed Rate Notes.* The applicable supplement may provide that a debt security will be a floating rate note for a specified portion of its term and a fixed rate note for the remainder of its term. In such an event, the interest rate on the debt security will be determined as if it were a floating rate note and a fixed rate note for each respective period, all as specified herein and in the applicable supplement.

*BBSW Rate Notes.* Each BBSW note will bear interest at a rate equal to the Australian dollar three-month Bank-Bill Reference Rate (the BBSW Rate ) and any spread or spread multiplier specified in the note and the applicable supplement.

The calculation agent will determine the BBSW Rate for each interest period on each interest determination date. The interest determination date is the first day of each interest period. The BBSW Rate will be the rate for prime bank eligible securities having a tenor closest to the interest period which is designated as the AVG MID on the Reuters Screen BBSW Page at approximately 10:10 a.m., Sydney time, on the interest determination date.

If the rate is not published prior to 10:30 a.m., Sydney time, on the interest determination date, or if it is displayed but the calculation agent determines that there is a manifest error in that rate, then the BBSW Rate will be the rate determined by the calculation agent having regard to comparable indices then available.

Reuters Screen BBSW page means the display which appears on the display on Reuters (or any successor service) as page BBSW (or any other page as may replace such page), for the purpose of displaying BBSW rates or base lending rates of major Australian banks.

All percentages resulting from any calculation of the rate of interest will be rounded, if necessary, to the nearest 1/10,000 of 1% (.0001), with five hundred thousandths of a percentage point rounded upward.

## **Dual Currency Debt Securities**

Citigroup may from time to time offer dual currency debt securities on which Citigroup has the option of making all payments of principal and interest on such debt securities, the payments on which would otherwise be made in the specified currency of those debt securities, in the optional payment currency specified in the applicable supplement. This option will be exercisable in whole but not in part on an option election date, which will be any of the dates specified in the applicable supplement. Information as to the relative value of the specified currency compared to the optional payment currency will be set forth in the applicable supplement.

The supplement for each issuance of dual currency debt securities will specify, among other things, the specified currency; the optional payment currency; and the designated exchange rate. The designated exchange rate will be a fixed exchange rate used for converting amounts denominated in the specified currency into amounts denominated in the optional payment currency. The supplement will also specify the option election dates and interest payment dates for the related issuance of dual currency debt securities. Each option election date will be a particular number of days before an interest payment date or maturity, as set forth in the applicable supplement. Each option election date will be the date on which Citigroup may select whether to make all scheduled payments due thereafter in the optional payment currency rather than in the specified currency.

If Citigroup makes such an election, the amount payable in the optional payment currency will be determined using the designated exchange rate specified in the applicable supplement. Unless otherwise specified in connection with a particular offering of debt securities, if such an election is made, notice of the election will be provided in accordance

with the terms of the dual currency debt securities within two business days of the option election date. The notice will state (1) the first date, whether an interest payment date and/or maturity, on which scheduled payments in the optional payment currency will be made and (2) the designated exchange rate.

## **Table of Contents**

Unless otherwise specified in the applicable supplement, any such notice by Citigroup, once given, may not be withdrawn. The equivalent value in the specified currency of payments made after such an election may be less, at the then current exchange rate, than if Citigroup had made the payment in the specified currency.

For United States federal income tax purposes, holders of dual currency debt securities may need to comply with rules which differ from the general rules applicable to holders of other types of debt securities offered by this prospectus. The United States federal income tax consequences of the purchase, ownership and disposition of dual currency debt securities will be set forth in the applicable supplement.

## **Extension of Maturity**

If so stated in the supplement relating to a particular offering of debt securities, Citigroup may extend the stated maturity of those debt securities for an extension period. Unless otherwise specified in connection with a particular offering of debt securities, such an extension period will be one or more periods of one to five whole years, up to but not beyond the final maturity date set forth in the supplement.

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup may exercise its option for a particular offering of debt securities by notifying the trustee for that series at least 45 but not more than 60 days prior to the original stated maturity of the debt security. Not later than 40 days prior to the original stated maturity of the debt security, the trustee for the debt securities will provide notice of the extension to the holder, in accordance with **Book-Entry Procedures and Settlement Notices** below. The extension notice will set forth among other items: the election of Citigroup to extend the stated maturity of the debt security; the new stated maturity; in the case of a fixed rate note, the interest rate applicable to the extension period; in the case of a floating rate note, the spread, spread multiplier or method of calculation applicable to the extension period; and any provisions for redemption during the extension period, including the date or dates on which, or the period or periods during which, and the price or prices at which, a redemption may occur during the extension period.

Unless otherwise specified in connection with a particular offering of debt securities, upon the provision by such trustee of an extension notice in accordance with **Book-Entry Procedures and Settlement Notices** below, the stated maturity of the debt security will be extended automatically, and, except as modified by the extension notice and as described in the next paragraph, the debt security will have the same terms as prior to the extension notice.

Despite the foregoing and unless otherwise specified in connection with a particular offering of debt securities, not later than 20 days prior to the original stated maturity of the debt security, Citigroup may, at its option, revoke the interest rate, or the spread or spread multiplier, as the case may be, provided for in the extension notice for the debt security and establish for the extension period a higher interest rate, in the case of a fixed rate note, or a higher spread or spread multiplier, in the case of a floating rate note. Citigroup may so act by causing the trustee for the debt security to provide notice of the higher interest rate or higher spread or spread multiplier, as the case may be, in accordance with **Book-Entry Procedures and Settlement Notices** below, to the holder of the debt security. Unless otherwise specified in connection with a particular offering of debt securities, the notice will be irrevocable. Unless otherwise specified in connection with a particular offering of debt securities, all debt securities for which the stated maturity is extended will bear the higher interest rate, in the case of fixed rate notes, or higher spread or spread multiplier, in the case of floating rate notes, for the extension period, whether or not tendered for repayment.

If so stated in the supplement relating to a particular offering of debt securities, the holder of a debt security of which Citigroup elects to extend maturity may have the option of early redemption, repayment or repurchase.



---

**Table of Contents**

**Listing**

Unless otherwise specified in connection with a particular offering of debt securities, application will be made to list the debt securities on the Official List of the Luxembourg Stock Exchange and to admit them to trading on the regulated market of the Luxembourg Stock Exchange.

Directive 2006/43/EC of the European Parliament and of the Council of May 17, 2006 on statutory audits of annual accounts and consolidated accounts, (the Statutory Audit Directive ) entered into force on 29 June 2006 and was amended most recently by Directive 2014/56/EU. The Statutory Audit Directive required member states to take measures necessary to comply with its provisions by June 29, 2008.

Among other requirements, the Statutory Audit Directive requires that, where an issuer's securities are admitted to trading on a regulated market in any member state of the European Economic Area (the EEA ) and its auditor is from a country outside the EEA then, unless covered by an exemption or derogation, that auditor must be registered in that member state and be subject to that member state's system of oversight, quality assurance, investigation and penalties. The Statutory Audit Directive further provides that audit reports issued by auditors from countries outside the EEA which are not so registered (or covered by an exemption or derogation) shall have no legal effect in the relevant member state.

As a result of having securities already admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, Citigroup will be required by Directive 2004/109/EC of the European Parliament and of the Council of December 15, 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, as amended (the Transparency Directive ) and implementing measures in Luxembourg to publish at the latest four months after the end of each of its financial years an annual financial report containing, among other things, its audited financial statements.

As of the date of this prospectus, Citigroup's auditors are registered pursuant to the Statutory Audit Directive and implementing measures in Luxembourg. However, if Citigroup determines it is impracticable or unduly burdensome to maintain such a listing of any series of debt securities due to changes in applicable law or listing requirements occurring after the original issue date of the relevant series of debt securities, application may be made to de-list such debt securities from the regulated market of the Luxembourg Stock Exchange. In such event, Citigroup may obtain an alternative admission to listing, trading and/or quotation of such debt securities by another listing authority, exchange or system within or outside the European Union as it may decide. If such an alternative admission is not available or is, in Citigroup's opinion, unduly burdensome, an alternative admission may not be obtained, and Citigroup will have no further obligation in respect of any listing, trading or quotation for such debt securities.

Notice of any de-listing and/or alternative admission will be given as described under Book-Entry Procedures and Settlement Notices below.

**Payment of Additional Amounts**

*Obligation to Pay Additional Amounts*

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup will pay additional amounts to the beneficial owner of any debt security that is a non-United States person in order to ensure that every net payment on such debt security will not be less, due to payment of U.S. withholding tax, than the amount then due and payable. For this purpose, a net payment on a debt security means a payment by Citigroup or a paying agent, including payment of principal and interest, after deduction for any present or future tax, assessment or other

governmental charge of the United States. These additional amounts will constitute additional interest on the debt security.



**Table of Contents**

*Exceptions*

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup will not be required to pay additional amounts, however, in any of the circumstances described in items (1) through (13) below.

- (1) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

having a relationship with the United States as a citizen, resident or otherwise;

having had such a relationship in the past; or

being considered as having had such a relationship.

- (2) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:

being treated as present in or engaged in a trade or business in the United States;

being treated as having been present in or engaged in a trade or business in the United States in the past; or

having or having had a permanent establishment in the United States.

- (3) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld in whole or in part by reason of the beneficial owner being or having been any of the following (as these terms are defined in the Internal Revenue Code of 1986, as amended):

personal holding company;

foreign private foundation or other foreign tax-exempt organization;

passive foreign investment company;

controlled foreign corporation; or

corporation which has accumulated earnings to avoid United States federal income tax.

- (4) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner owning or having owned, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of Citigroup entitled to vote or by reason of the beneficial owner being a bank that has invested in a debt security as an extension of credit in the ordinary course of its trade or business.

For purposes of items (1) through (4) above, beneficial owner means a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership, limited liability company, corporation or other entity, or a person holding a power over an estate or trust administered by a fiduciary holder.

- (5) Additional amounts will not be payable to any beneficial owner of a debt security that is a:

fiduciary;

partnership;

limited liability company; or

other fiscally transparent entity,

or that is not the sole beneficial owner of the debt security, or any portion of the debt security. However, this exception to the obligation to pay additional amounts will only apply to the extent that a beneficiary or

**Table of Contents**

settlor in relation to the fiduciary, or a beneficial owner or member of the partnership, limited liability company or other fiscally transparent entity, would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

- (6) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the failure of the beneficial owner or any other person to comply with applicable certification, identification, documentation or other information reporting requirements. This exception to the obligation to pay additional amounts will only apply if compliance with such reporting requirements is required by statute or regulation of the United States or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge.
- (7) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is collected or imposed by any method other than by withholding from a payment on a debt security by Citigroup or a paying agent.
- (8) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later.
- (9) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld by reason of the presentation by the beneficial owner of a debt security for payment more than 30 days after the date on which such payment becomes due or is duly provided for, whichever occurs later.
- (10) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any:

estate tax;

inheritance tax;

gift tax;

sales tax;

excise tax;

transfer tax;

wealth tax;

personal property tax; or

any similar tax, assessment, withholding, deduction or other governmental charge.

- (11) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any tax, assessment, or other governmental charge required to be withheld by any paying agent from a payment of principal or interest on a note if such payment can be made without such withholding by any other paying agent.
- (12) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any withholding, deduction, tax, duty assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner of a debt security (or any financial institution through which the holder or beneficial owner holds the debt security or through which payment on the debt security is made) to take any action (including entering into an agreement with the Internal Revenue Service ( IRS )) or to comply with any applicable certification, documentation, information or other reporting requirement or agreement concerning accounts maintained by the holder

---

**Table of Contents**

or beneficial owner (or any such financial institution), or concerning ownership of the holder or beneficial owner, or any substantially similar requirement or agreement.

(13) Additional amounts will not be payable if a payment on a debt security is reduced as a result of any combination of items (1) through (12) above.

Except as specifically provided in this section ( *Payment of Additional Amounts* ) and under *Redemption for Tax Purposes* below, Citigroup will not be required to make any payment of any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of such government.

*Relevant Definitions*

As used in this prospectus, *United States person* means:

any individual who is a citizen or resident of the United States;

any corporation, partnership or other entity treated as a corporation or a partnership created or organized in or under the laws of the United States or any political subdivision thereof;

any estate if the income of such estate falls within the federal income tax jurisdiction of the United States regardless of the source of such income; and

a trust if (a) a United States court is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of the substantial decisions of the trust; or (b) it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

Additionally, *non-United States person* means a person who is not a United States person, and *United States* means the United States of America, including the states of the United States of America and the District of Columbia, but excluding its territories and possessions.

**Redemption for Tax Purposes**

*Redemption Procedure*

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup may, at its option, redeem a series of debt securities as a whole, but not in part, on not less than 15 nor more than 60 days prior notice, only in the circumstances described in items (1) or (2) below under *Redemption Circumstances*. To redeem, Citigroup must pay a redemption price equal to 100% of the principal amount of the debt securities, together with accrued interest to the redemption date.

*Redemption Circumstances*

Unless otherwise specified in connection with a particular offering of debt securities, there are two sets of circumstances in which Citigroup may redeem the debt securities in the manner described above under Redemption Procedure :

(1) Citigroup may redeem a series of debt securities if:

Citigroup becomes or will become obligated to pay additional amounts as described under Payment of Additional Amounts above;

the obligation to pay additional amounts arises as a result of any change in the laws, regulations or rulings of the United States, or an official position regarding the application or interpretation of such laws, regulations or rulings, which change is announced or becomes effective on or after the date of the supplement relating to the original issuance of notes which form a series; and

**Table of Contents**

Citigroup determines, in its business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to it, other than substituting the obligor under the notes or taking any action that would entail a material cost to Citigroup.

(2) Citigroup may also redeem a series of debt securities if:

any act is taken by a taxing authority of the United States on or after the date of the supplement relating to the original issuance of notes which form a series, whether or not such act is taken in relation to Citigroup or any subsidiary, that results in a substantial probability that Citigroup will or may be required to pay additional amounts as described under **Payment of Additional Amounts** above;

Citigroup determines, in its business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to it, other than substituting the obligor under the notes or taking any action that would entail a material cost to Citigroup; and

Citigroup receives an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that Citigroup will or may be required to pay the additional amounts described under **Payment of Additional Amounts** above, and delivers to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion Citigroup is entitled to redeem a series of debt securities pursuant to their terms.

**Book-Entry Procedures and Settlement**

Unless otherwise specified in connection with a particular offering of debt securities, we will issue debt securities under a book-entry system in the form of one or more global securities. We will register the global securities in the name of a depository or its nominee and deposit the global securities with that depository. Unless otherwise specified in connection with a particular offering of debt securities, The Depository Trust Company, New York, New York, or DTC, will be the depository if we use a depository.

Following the issuance of a global security in registered form, the depository will credit the accounts of its participants with the debt securities upon our instructions. Only persons who hold directly or indirectly through financial institutions that are participants in the depository can hold beneficial interests in the global securities. Because the laws of some jurisdictions require certain types of purchasers to take physical delivery of such securities in definitive form, you may encounter difficulties in your ability to own, transfer or pledge beneficial interests in a global security.

So long as the depository or its nominee is the registered owner of a global security, we and the relevant trustee will treat the depository as the sole owner or holder of the debt securities for purposes of the applicable indenture. Therefore, except as set forth below, you will not be entitled to have debt securities registered in your name or to receive physical delivery of certificates representing the debt securities. Accordingly, you will have to rely on the procedures of the depository and the participant in the depository through whom you hold your beneficial interest in order to exercise any rights of a holder under the indenture. We understand that under existing practices, the depository would act upon the instructions of a participant or authorize that participant to take any action that a holder is entitled to take.

You may elect to hold interests in the global securities either in the United States through DTC or outside the United States through Clearstream Banking, société anonyme ( Clearstream ) or Euroclear Bank, S.A./N.V., or its successor, as operator of the Euroclear System, ( Euroclear ) if you are a participant of such system, or indirectly through organizations that are participants in such systems. Interests held through Clearstream and Euroclear will be recorded on DTC s books as being held by the U.S. depository for each of Clearstream and Euroclear, which U.S. depositories will in turn hold interests on behalf of their participants customers securities accounts.



## **Table of Contents**

As long as the debt securities are represented by the global securities, we will pay principal of and interest and premium, if any, on those securities to or as directed by DTC as the registered holder of the global securities. Payments to DTC will be in immediately available funds by wire transfer. DTC, Clearstream or Euroclear, as applicable, will credit the relevant accounts of their participants on the applicable date. Neither we nor the relevant trustee will be responsible for making any payments to participants or customers of participants or for maintaining any records relating to the holdings of participants and their customers, and you will have to rely on the procedures of the depositary and its participants.

If an issue of debt securities is denominated in a currency other than the U.S. dollar, we will make payments of principal and any interest in the foreign currency in which the debt securities are denominated or, only for notes held through DTC, in U.S. dollars. See *Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency* *Currency Conversion* below.

### *Settlement*

You will be required to make your initial payment for the debt securities in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (based on European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depositary to take action to effect final settlement on its behalf by delivering or receiving debt securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositaries.

Because of time-zone differences, credits of debt securities received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such debt securities settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of debt securities by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of debt securities among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

### *Definitive Notes and Paying Agents*

A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- (a) the depositary is unwilling or unable to continue as depositary for such global security and Citigroup is unable to find a qualified replacement for the depositary within 90 days;

---

**Table of Contents**

- (b) at any time the depository ceases to be a clearing agency registered under the Securities Exchange Act of 1934; or
- (c) Citigroup in its sole discretion decides to allow some or all book-entry securities to be exchangeable for definitive securities in registered form.

Unless otherwise specified in connection with a particular offering of debt securities, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount, in denominations of \$1,000 and whole multiples of \$1,000. Definitive notes will be registered in the name or names of the person or persons specified by the depository in a written instruction to the registrar of the securities. The depository may base its written instruction upon directions it receives from its participants.

If any of the events described above occurs, then the beneficial owners will be notified through the chain of intermediaries that definitive debt securities are available and notice will be published as described below under Notices. Beneficial owners of book-entry debt securities will then be entitled (1) to receive physical delivery in certificated form of definitive debt securities equal in principal amount to their beneficial interest and (2) to have the definitive debt securities registered in their names. Thereafter, the holders of the definitive debt securities will be recognized as the holders of the debt securities under the applicable indenture.

The applicable indenture provides for the replacement of a mutilated, lost, stolen or destroyed definitive debt security, so long as the applicant furnishes to Citigroup and the trustee such security or indemnity and such evidence of ownership as they may require.

In the event definitive debt securities are issued, the holders of definitive debt securities will be able to receive payments of principal and interest on their debt securities at the office of Citigroup's paying agent maintained in the Borough of Manhattan (in the case of holders of U.S. dollar-denominated debt securities or holders of debt securities denominated in a foreign currency electing to receive payments in U.S. dollars) and in London (in the case of holders of debt securities denominated in a foreign currency not electing to receive payments in U.S. dollars) and, if the definitive debt securities are listed on the Luxembourg Stock Exchange, at the offices of the paying agent in Luxembourg. Payment of principal of a definitive debt security may be made only against surrender of the debt security to one of Citigroup's paying agents. Citigroup also has the option of making payments of interest by mailing checks to the registered holders of the debt securities.

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup's paying agent in the Borough of Manhattan will be the corporate trust office of Citibank, N.A., located at 388 Greenwich Street, 14th Floor, New York, New York. Citigroup's paying agent in London is Citibank, N.A. London office, located at Citigroup Centre, Canada Square, Canary Wharf, London, England. Citigroup's paying agent and transfer agent in Luxembourg is Banque Internationale à Luxembourg S.A., currently located at 69, route d'Esch, L-2953 Luxembourg. As long as the debt securities are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, Citigroup will maintain a paying agent and transfer agent in Luxembourg. Any change in the Luxembourg paying agent and transfer agent will be published in London and Luxembourg. See Notices below.

In the event definitive debt securities are issued, the holders of definitive debt securities will be able to transfer their securities, in whole or in part, by surrendering the debt securities for registration of transfer at the office of Citibank, N.A., listed above and, so long as definitive debt securities are listed on the Luxembourg Stock Exchange, at the offices of the transfer agent in Luxembourg, duly endorsed by or accompanied by a written instrument of transfer in form satisfactory to Citigroup and the securities registrar. A form of such instrument of transfer will be obtainable at

the relevant office of Citibank, N.A. and the Luxembourg transfer agent. Upon surrender, Citigroup will execute, and the trustee will authenticate and deliver, new debt securities to the designated transferee in the amount being transferred, and a new debt security for any amount not being transferred will be issued to the

## **Table of Contents**

transferor. Such new securities will be delivered free of charge at the relevant office of Citibank, N.A. or the Luxembourg transfer agent, as requested by the owner of such new debt securities. Citigroup will not charge any fee for the registration of transfer or exchange, except that it may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer.

## *Notices*

So long as the global securities are held on behalf of DTC or any other clearing system, notices to holders of securities represented by a beneficial interest in the global securities may be given by delivery of the relevant notice to DTC or the alternative clearing system, as the case may be. In addition, so long as the securities are listed on the Luxembourg Stock Exchange, notices will also be made by publication in a leading newspaper of general circulation in Luxembourg, which is expected to be the Luxemburger Wort. Any notice will be deemed to have been given on the date of publication or, if published more than once, on the date of the first publication.

## **Governing Law**

The senior debt indenture, the subordinated debt indenture and the debt securities for all purposes shall be governed by and construed in accordance with the laws of the State of New York.

## **Unclaimed Funds**

Unless otherwise specified in connection with a particular offering of debt securities, all funds deposited with the relevant trustee or any paying agent for the payment of principal, interest, premium or additional amounts in respect of the debt securities that remain unclaimed for two years after the maturity date of the debt securities will be repaid to Citigroup upon its request. Thereafter, any right of any noteholder to such funds shall be enforceable only against Citigroup, and the trustee and paying agents will have no liability therefor.

## **Prescription**

Under New York's statute of limitations, any legal action to enforce Citigroup's payment obligations evidenced by the debt securities must be commenced within six years after payment is due. Thereafter Citigroup's payment obligations will generally become unenforceable.

## **Senior Debt**

The senior debt securities will be issued under the senior debt indenture, will be unsecured obligations of Citigroup and will rank on an equal basis with all other unsecured senior indebtedness of Citigroup, whether existing at the time of issuance or created thereafter. In the event of (i) any conflict between a provision of the senior debt indenture and the Trust Indenture Act of 1939, as amended (the "TIA") or (ii) the omission of a provision required to be included in the senior debt indenture by the TIA, the TIA will control.

## **Subordinated Debt**

The subordinated debt securities will be issued under the subordinated debt indenture, will be unsecured obligations of Citigroup, will rank subordinated and junior in right of payment, to the extent set forth in the subordinated debt indenture, to all Senior Indebtedness (as defined below) of Citigroup and will rank equally with all other unsecured and subordinated indebtedness of Citigroup, whether existing at the time of issuance or created thereafter, other than subordinated indebtedness which is designated as junior to the subordinated debt securities. In the event of (i) any

conflict between a provision of the subordinated debt indenture and the TIA, or (ii) the omission of a provision required to be included in the subordinated debt indenture by the TIA, the TIA will control.

---

**Table of Contents**

If Citigroup defaults in the payment of any principal of, or premium, if any, or interest on any Senior Indebtedness when it becomes due and payable after any applicable grace period, then, unless and until the default is cured or waived or ceases to exist, Citigroup cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities. Nevertheless, holders of subordinated debt securities may still receive and retain:

securities of Citigroup or any other corporation provided for by a plan of reorganization or readjustment that are subordinate, at least to the same extent that the subordinated debt securities are subordinate to Senior Indebtedness; and

payments made from a defeasance trust as described below.

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to Citigroup, its creditors or its property, then all Senior Indebtedness must be paid in full before any payment may be made to any holders of subordinated debt securities. Holders of subordinated debt securities must return and deliver any payments received by them, other than in a plan of reorganization or through a defeasance trust as described below, directly to the holders of Senior Indebtedness until all Senior Indebtedness is paid in full. (*Subordinated Debt Indenture, Section 14.01*).

Senior Indebtedness means:

- (1) the principal, premium, if any, and interest in respect of (A) indebtedness for money borrowed and (B) indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued by Citigroup, including all indebtedness (whether now or hereafter outstanding) issued under (i) an indenture dated November 13, 2013 between Citigroup and The Bank of New York Mellon, as trustee, as the same has been or may be amended, modified or supplemented from time to time, and (ii) an indenture dated March 15, 1987, between Citigroup and The Bank of New York Mellon, as successor trustee, as the same has been or may be amended, modified or supplemented from time to time;
- (2) all capital lease obligations of Citigroup;
- (3) all obligations of Citigroup issued or assumed as the deferred purchase price of property, all conditional sale obligations of Citigroup and all obligations of Citigroup under any conditional sale or title retention agreement, but excluding trade accounts payable in the ordinary course of business;
- (4) all obligations, contingent or otherwise, of Citigroup in respect of any letters of credit, bankers acceptances, security purchase facilities or similar credit transactions;
- (5) all obligations of Citigroup in respect of interest rate swap, cap or other agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts or other similar agreements;

(6) all obligations of the type referred to in clauses (1) through (5) above of other persons for the payment of which Citigroup is responsible or liable as obligor, guarantor or otherwise; and

(7) all obligations of the type referred to in clauses (1) through (6) above of other persons secured by any lien on any property or asset of Citigroup, whether or not such obligation is assumed by Citigroup; except that Senior Indebtedness does not include:

(A) any other indebtedness issued under the subordinated debt indenture;

(B) all indebtedness (whether now or hereafter outstanding) issued to a Citigroup Trust under (i) the indenture, dated as of October 7, 1996, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as trustee, as the same has been or may be amended, modified, or supplemented from time to time and (ii) the indenture, dated as of July 23, 2004, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, as trustee, as the same has been or may be amended, modified, or supplemented from time to time (collectively, the junior subordinated debt indentures ).;



---

**Table of Contents**

(C) all indebtedness (whether now or hereafter outstanding) issued to a Citigroup Trust under the indenture, dated as of June 28, 2007, between Citigroup and The Bank of New York Mellon (formerly The Bank of New York), as trustee, as the same has been or may be amended, modified, or supplemented from time to time the junior junior subordinated debt indenture ));

(D) any guarantee in respect of any preferred securities, capital securities or preference stock of a Citigroup Trust; or

(E) any indebtedness or any guarantee that is by its terms subordinated to, or ranks equally with, the subordinated notes and the issuance of which (x) has received the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Board of Governors of the Federal Reserve System or (y) does not at the time of issuance prevent the subordinated notes from qualifying for Tier 2 capital treatment (irrespective of any limits on the amount of Citigroup's Tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Board of Governors of the Federal Reserve System or any applicable concurrence or approval of the Federal Reserve Bank of New York or its staff.

Citigroup Trust means each of Citigroup Capital III, Citigroup Capital XIII and Citigroup Capital XVIII, each a Delaware statutory trust, or any other similar trust created for the purpose of issuing preferred securities in connection with the issuances of junior subordinated notes under the junior subordinated debt indentures or the junior junior subordinated debt indenture.

Such Senior Indebtedness shall continue to be Senior Indebtedness and be entitled to the benefits of these subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

**Covenants**

*Limitations on Liens.* The senior debt indenture provides that Citigroup will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any indebtedness for money borrowed if such indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, without providing that each series of senior debt securities and, at Citigroup's option, any other senior indebtedness ranking equally with such series of senior debt securities, is secured equally and ratably with such indebtedness. This limitation shall not apply to indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including any renewals or extensions of such secured indebtedness (*Senior Debt Indenture, Section 5.04*). The subordinated debt indenture does not contain a similar provision.

Significant Subsidiary means a Subsidiary, including its Subsidiaries, which meets any of the following conditions:

Citigroup's and its other Subsidiaries' investments in and advances to the Subsidiary exceed 10 percent of the total assets of Citigroup and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

Citigroup's and its other Subsidiaries' proportionate share of the total assets of the Subsidiary after intercompany eliminations exceeds 10 percent of the total assets of Citigroup and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

Edgar Filing: CITIGROUP INC - Form S-3

Citigroup's and its other Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of the Subsidiary exceeds 10 percent of such income of Citigroup and its Subsidiaries consolidated for the most recently completed fiscal year.

Subsidiary means any person of which a majority of the voting power of the outstanding ownership interests (excluding ownership interests entitled to voting power only by reason of the happening of a

## **Table of Contents**

contingency) shall at the time be owned, directly or indirectly, by Citigroup, and/or one or more Subsidiaries, except securities entitled to vote for directors only upon the happening of a contingency. For this purpose, voting power means power to vote in an ordinary election of directors (or, in the case of a person that is not a corporation, ordinarily to appoint or approve the appointment of persons holding similar positions).

**Voting Stock** means capital stock, the holders of which have general voting power under ordinary circumstances to elect at least a majority of the board of directors of a corporation, except capital stock that carries only the right to vote conditioned on the happening of an event regardless of whether such event shall have happened (*Senior Debt Indenture, Section 5.04*).

**Limitations on Mergers and Sales of Assets.** The indentures provide that Citigroup will not merge or consolidate with another entity or sell other than for cash or lease all or substantially all its assets to another entity, except if such lease or sale is to one or more of its Subsidiaries, unless:

either (1) Citigroup is the continuing entity, or (2) the successor entity, if other than Citigroup, in the case of the senior debt indenture is a U.S. entity, and expressly assumes by supplemental indenture the obligations evidenced by the securities issued pursuant to the indenture; and

in the case of the senior debt indenture or if provided in the applicable supplement for a series of subordinated debt, immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indenture (*Senior Debt Indenture, Sections 5.05 and 16.05; Subordinated Debt Indenture, Section 15.01*).

**Limitations on Future Issuances of Subordinated Debt Securities under the Subordinated Debt Indenture.** The subordinated debt indenture provides that any subordinated debt securities issued under the subordinated debt indenture shall either (x) be issued with the concurrence or approval of the staff of the Federal Reserve Bank of New York or the staff of the Federal Reserve System or (y) qualify at the time of issuance for Tier 2 capital treatment (irrespective of any limits on the amount of Citigroup's Tier 2 capital) under the applicable capital adequacy guidelines, regulations, policies or published interpretations of the Federal Reserve System.

Other than the restrictions described above, the indentures do not contain any covenants or provisions that would protect holders of the debt securities in the event of a highly leveraged transaction.

## **Modification of the Indentures**

Under the indentures, Citigroup and the relevant trustee can enter into supplemental indentures to establish the form and terms of any series of debt securities without obtaining the consent of any holder of debt securities.

Citigroup and the trustee may, with the consent of the holders of at least a majority in aggregate principal amount of the senior debt securities of a series or at least a majority in aggregate principal amount of the subordinated debt securities of a series that, in each case, are affected by such modification, modify the applicable indenture or the rights of the holders of the securities of such series to be affected.

No such modification may, without the consent of the holder of each security so affected:

change the fixed maturity of any such securities;

reduce the rate of interest on such securities;

reduce the principal amount of such securities or the premium, if any, on such securities;

reduce the amount of the principal of any securities issued originally at a discount;

change the currency in which any such securities are payable; or

## **Table of Contents**

impair the right to sue for the enforcement of any such payment on or after the maturity of such securities. In addition, no such modification may:

reduce the percentage of securities referred to above whose holders need to consent to the modification without the consent of such holders; or

change the rights, duties or immunities of the trustee under the indentures unless the trustee agrees to such change (*Senior Debt Indenture, Sections 15.01, 15.02 and 15.03; Subordinated Debt Indenture, Sections 13.01, 13.02 and 13.03*).

In addition, the subordinated debt indenture may not be amended without the consent of each holder of subordinated debt securities affected thereby to modify the subordination of the subordinated debt securities issued under that indenture in a manner adverse to the holders of the subordinated debt securities (*Subordinated Debt Indenture, Section 13.02*).

## **Events of Default and Defaults**

Events of default under the senior debt indenture are:

failure to pay principal or required interest for 30 days after it is due; and

certain events of insolvency or bankruptcy, whether voluntary or not (*Senior Debt Indenture, Section 6.01*). Defaults under the senior debt indenture include:

failure to perform any other covenant of Citigroup in the senior debt indenture; and

all events of default (*Senior Debt Indenture, Section 6.07*).

Unless otherwise specified in connection with a particular offering of senior debt, only the events of default provide for a right of acceleration of the senior debt securities. No other event, including a default that is not also an event of default, will result in acceleration (*Senior Debt Indenture, Sections 6.01, 6.02 and 6.07*).

Unless otherwise specified in connection with a particular offering of subordinated debt, the only events of default specified in the subordinated debt indenture are events of insolvency or bankruptcy, whether voluntary or not, with respect to Citigroup. Only these events of default provide for a right of acceleration of the subordinated debt securities. No other event, including a default in the payment of principal of, premium, if any, or interest on, subordinated debt securities, the performance of any other covenant of Citigroup in the subordinated indenture or any other default that is not also an event of default, will result in acceleration (*Subordinated Debt Indenture, Sections 6.01, 6.02 and 6.07*).

If an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (*Section 6.02*). Citigroup is required to file annually with the trustee a statement of an officer as to the fulfillment by Citigroup of its obligations under the indentures during the preceding year (*Senior Debt Indenture, Section 5.06; Subordinated Debt Indenture, Section 5.04*).

No event of default regarding one series of senior debt securities issued under the senior debt indenture is necessarily an event of default regarding any other series of senior debt securities (*Senior Debt Indenture, Section 6.01*). For purposes of this section, series refers to debt securities having identical terms, except as to issue date, principal amount and, if applicable, the date from which interest begins to accrue.

## **Table of Contents**

Holders of a majority in principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past defaults regarding such series (*Sections 6.02 and 6.06*). The trustee generally will not be under any obligation to act at the request, order or direction of any of the holders of debt securities, unless one or more of such holders shall have offered to the trustee security or indemnity reasonably satisfactory to it (*Section 10.01*).

If a default occurs regarding a series of debt securities, the trustee may use any sums that it collects under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (*Section 6.05*).

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer security and indemnity reasonably satisfactory to the trustee against liabilities incurred by the trustee for taking such action (*Section 6.07*).

## **Defeasance**

*Senior Debt Indenture.* Unless otherwise specified in connection with a particular offering of senior debt securities, after Citigroup has deposited with the trustee cash and/or U.S. government securities or, in the case of debt securities denominated in a currency other than U.S. dollars, after Citigroup has deposited with the trustee funds in the currency specified in the applicable supplement and/or other government securities specified in the applicable supplement in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the senior debt securities of such series when due, then Citigroup, at its option:

will be deemed to have paid and satisfied its obligations on all outstanding senior debt securities of such series, which is known as defeasance and discharge (*Senior Debt Indenture, Section 12.02*); or

will cease to be under any obligation under specific covenants, relating to the senior debt securities of such series, which is known as covenant defeasance (*Senior Debt Indenture, Section 12.03*).

In the case of both defeasance and discharge and covenant defeasance, Citigroup must also deliver to the trustee an opinion of counsel to the effect that the holders of the senior debt securities of such series will have no United States federal income tax consequences as a result of such deposit (*Senior Debt Indenture, Section 12.04*).

When there is a defeasance and discharge, (1) the senior debt indenture will no longer govern the senior debt securities of such series, (2) Citigroup will no longer be liable for payment and (3) the holders of such senior debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, Citigroup will continue to be obligated to make payments when due if the deposited funds are not sufficient.

The obligations and rights under the senior debt indenture regarding compensation, reimbursement and indemnification of the trustee, optional redemption, mandatory or optional sinking fund payments, if any, registration of transfer and exchange of the senior debt securities of such series, replacement of mutilated, destroyed, lost or stolen senior debt securities and certain other administrative provisions will continue even if Citigroup exercises its defeasance and discharge or covenant defeasance options (*Senior Debt Indenture, Sections 12.02 and 12.03*).

Under current United States federal income tax law, defeasance and discharge should be treated as a taxable exchange of the senior debt securities for an interest in the trust. As a consequence, each holder of the senior debt securities would recognize gain or loss equal to the difference between the value of the holder's interest in the trust and holder's adjusted tax basis for the senior debt securities deemed exchanged, except to the extent attributable to accrued but unpaid interest, which will be taxable as ordinary income. Each holder would then be required to include in income his share of any income, gain and loss recognized by the trust. Even though United



## **Table of Contents**

States federal income tax on the deemed exchange would be imposed on a holder, the holder would not receive any cash until the maturity or an earlier redemption of the senior debt securities, except for any current interest payments. Prospective investors are urged to consult their tax advisors as to the specific consequences of a defeasance and discharge, including the applicability and effect of tax laws other than the United States federal income tax law.

Under current United States federal income tax law, a covenant defeasance would not be treated as a taxable exchange of senior debt securities.

*Subordinated Debt Indenture.* Unless otherwise specified in connection with a particular offering of subordinated debt securities, the defeasance and discharge and covenant defeasance provisions contained in the subordinated debt indenture will apply and are substantially the same as those described above for the senior debt indenture (*Subordinated Debt Indenture, Sections 11.01, 11.02, 11.03, 11.04 and 11.05*).

Under the subordinated debt indenture, in the case of both defeasance and discharge and covenant defeasance, Citigroup must also deliver to the trustee an opinion of counsel to the effect that the holders of the subordinated debt securities will have no United States federal income tax consequences as a result of such deposit.

## **Concerning the Trustees**

Citigroup has had and may continue to have banking relationships with the trustees in the ordinary course of business.

## **UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS**

### **Introduction**

The following is a general summary of United States federal income tax considerations that may be relevant to a beneficial owner of a debt security. The summary is based on:

laws;

regulations;

rulings; and

decisions now in effect, all of which may change, possibly with retroactive effect. This summary deals only with beneficial owners that will hold debt securities as capital assets. This summary does not address all of the United States federal income tax considerations that may be relevant to a beneficial owner of debt securities, including the alternative minimum tax and the Medicare tax on net investment income. For example, this summary does not address tax considerations applicable to investors to whom special tax rules may apply, including:

banks or other financial institutions;

tax-exempt entities;

insurance companies;

regulated investment companies;

common trust funds;

controlled foreign corporations;

---

**Table of Contents**

dealers in securities or currencies;

an entity classified as a partnership for U.S. federal income tax purposes or investors therein;

persons that will hold debt securities as a hedge or in order to hedge against currency risk or as a part of an integrated investment, including a straddle or conversion transaction, comprised of a debt security and one or more other positions; or

United States holders (as defined below) that have a functional currency other than the U.S. dollar.

Any special United States federal income tax considerations relevant to a particular issue of debt securities, including any indexed notes, floating rate notes, notes with an extendible maturity, dual currency notes or notes providing for contingent payments, will be provided in the applicable supplement. Purchasers of such notes should carefully examine the applicable supplement and should consult with their tax advisors with respect to such notes. Prospective purchasers of debt securities with maturities of one year should be aware that special United States federal income tax rules apply to short-term debt instruments, and should consult with their tax advisors with respect to such securities.

Prospective investors should consult their tax advisors in determining the tax consequences to them of purchasing, holding, and disposing of the debt securities, including the application to their particular situation of the United States federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

As used in this summary, the term *United States holder* means a beneficial owner of a debt security who is a citizen or resident of the United States, a domestic corporation or is otherwise subject to U.S. federal income tax on a net income basis in respect of the debt securities. The term *non-United States holder* means a beneficial owner of a debt security who is not a United States holder.

**United States Holders**

United States holders that use an accrual method of accounting for tax purposes ( *accrual method holders* ) generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the *book/tax conformity rule* ). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described in this prospectus, although it is not clear to what types of income the book/tax conformity rule applies. This rule generally is effective for tax years beginning after December 31, 2017 or, for debt securities issued with original issue discount, for tax years beginning after December 31, 2018. Accrual method holders should consult with their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

*Payments of Interest*

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

If such payments of interest are made in foreign currency with respect to a debt security that is denominated in such foreign currency, the amount of interest income realized by a United States holder that uses the cash method of tax accounting will be the U.S. dollar value of the specified currency payment based on the spot rate of exchange on the

date of receipt regardless of whether the payment is in fact converted into U.S. dollars. No exchange gain or loss will be recognized with respect to the receipt of such payment (other than exchange gain or loss realized on the disposition of the foreign currency so received, see Transactions in Foreign Currency, below). A United States holder of DTC debt securities (as defined below) that uses the cash method of tax accounting and receives a payment of interest in U.S. dollars should realize interest income equal to the amount of U.S. dollars received. A United States

**Table of Contents**

holder that uses the accrual method of tax accounting will accrue interest income on the foreign currency debt security 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 such holder's taxable year; or

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

Such election must be applied consistently by the United States holder to all debt instruments from year to year and can be changed only with the consent of the IRS. A United States holder that uses the accrual method of tax accounting will recognize foreign currency gain or loss on the receipt of an interest payment made relating to a foreign currency debt security, including interest payments relating to DTC debt securities made in U.S. dollars, 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 debt securities.

*Purchase, Sale and Retirement of Debt Securities*

A United States holder's tax basis in a debt security generally will equal the cost of such debt security to such 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 amortized premium and any payments other than payments of qualified stated interest (each as described below) made on such debt security.

In the case of a foreign currency debt security, the cost of such debt security to a United States holder will generally be the U.S. dollar value of the foreign currency purchase price on the date of purchase calculated at the spot rate of exchange on that date. In the case of a foreign currency debt security that is traded on an established securities market, a United States holder generally should determine the U.S. dollar value of the cost of such debt security by translating the amount paid in foreign currency into its U.S. dollar value at the spot rate of exchange (i) on the settlement date of the purchase in the case of a United States holder using the cash method of tax accounting or (ii) on the trade date, in the case of a United States holder using the accrual method of tax accounting, unless such holder elects to use the spot rate applicable to cash method United States holders. The amount of any subsequent adjustments to a United States holder's tax basis in a foreign currency debt security in respect of OID, market discount and premium will be determined in the manner described under *Original Issue Discount*, *Market Discount* and *Debt Securities Purchased at a Premium* below. The conversion of U.S. dollars to another specified currency and the immediate use of such specified currency to purchase a foreign currency debt security generally will not result in any exchange gain or loss for a United States holder.

Upon the sale, exchange, retirement or other taxable disposition (collectively, a *disposition*) of a debt security, a United States holder generally will recognize gain or loss equal to the difference between (i) the amount realized on

the disposition, less any accrued qualified stated interest, which will be taxable as ordinary income in the manner described above under Payments of Interest, and (ii) the United States holder's adjusted tax basis in such debt security. If a United States holder receives a specified currency other than the U.S. dollar in respect of such disposition of a debt security, the amount realized will be the U.S. dollar value of the specified currency received calculated at the spot rate of exchange on the date of disposition of the debt security.

In the case of a foreign currency debt security that is traded on an established securities market, a United States holder that receives a specified currency other than the U.S. dollar in respect of such disposition generally should determine the amount realized (as determined on the trade date) by translating that specified currency into its U.S. dollar value at the spot rate of exchange (i) on the settlement date of the disposition in the case of a United States

---

**Table of Contents**

holder using the cash method of tax accounting or (ii) on the trade date, in the case of a United States holder using the accrual method of tax accounting, unless such holder elects to use the spot rate applicable to cash method United States holders. The election available to accrual basis United States holders in respect of the purchase and sale of foreign currency debt securities traded on an established securities market, discussed above, must be applied consistently by the United States holder to all debt instruments from year to year and can be changed only with the consent of the IRS.

Except as discussed below in connection with foreign currency gain or loss and market discount, gain or loss recognized by a United States holder on the disposition of a debt security will generally be long term capital gain or loss if the United States holder's holding period for the debt security exceeds one year at the time of such disposition. Long term capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income.

Gain or loss recognized by a United States holder on the disposition of a foreign currency debt security 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 such debt security.

*Transactions in Foreign Currency*

Foreign currency received as interest on, or on a disposition of, a debt security will have a tax basis equal to its U.S. dollar value at the time such interest is received or at the time such proceeds are received. The amount of gain or loss recognized on a sale or other disposition of such foreign currency will be equal to the difference between (i) the amount of U.S. dollars, or the fair market value in U.S. dollars of the other property received in such sale or other disposition, and (ii) the United States holder's tax basis in such foreign currency.

A United States holder that purchases a debt security with previously owned foreign currency will generally recognize gain or loss in an amount equal to the difference, if any, between such holder's tax basis in such foreign currency and the U.S. dollar fair market value of such debt security on the date of purchase. Any such gain or loss generally will be ordinary income or loss and will not be treated as interest income or expense. The conversion of U.S. dollars to foreign currency and the immediate use of such currency to purchase a debt security generally will not result in any exchange gain or loss for a United States holder.

*Original Issue Discount*

*In General.* Debt securities with a term greater than one year may be issued with OID for United States federal income tax purposes. Such debt securities are called OID debt securities in this prospectus. United States holders generally must accrue OID in gross income over the term of the OID debt securities on a constant yield basis, regardless of their regular method of tax accounting. As a result, United States holders generally will recognize taxable income in respect of an OID debt security in advance of the receipt of cash attributable to such income.

OID generally will arise if the stated redemption price at maturity of the debt security exceeds its issue price by at least a de minimis amount of 0.25% of the debt security's stated redemption price at maturity multiplied by the number of complete years to maturity. OID may also arise if a debt security 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 debt security is the first price at which a substantial amount of debt securities 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 debt security is the sum of all payments due under the debt security, 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 the OID debt security at a single fixed rate of interest or, under particular conditions, based on one or more interest indices.



**Table of Contents**

For each taxable year of a United States holder, the amount of OID that must be included in gross income in respect of an OID debt security will be the sum of the daily portions of OID for each day during such taxable year or any portion of such taxable year in which such a United States holder held the OID debt security. Such 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 debt security. 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 (i) the product of the OID debt security's adjusted issue price at the beginning of such accrual period multiplied by its yield to maturity (as adjusted to take into account the length of such accrual period), less (ii) the amount, if any, of qualified stated interest allocable to that accrual period. The adjusted issue price of an OID debt security at the beginning of any accrual period will equal the issue price of the OID debt security, as defined above, (i) increased by previously accrued OID from prior accrual periods, and (ii) reduced by any payment made on such debt security, other than payments of qualified stated interest, on or before the first day of the accrual period. The yield to maturity of an OID debt security is the discount rate (appropriately adjusted to reflect the length of accrual periods) that causes the present value on the issue date of all payments on the OID debt security to equal the issue price. In the case of an OID debt security that is a floating rate debt security, both the yield to maturity and the qualified stated interest will be determined for these purposes as though the OID debt security will bear interest in all periods at a fixed rate generally equal to the value, as of the issue date, of the floating interest rate on the OID debt security or, in the case of some floating rate debt securities, the rate that reflects the yield that is reasonably expected for the OID debt security. (Additional rules may apply if interest on a floating rate debt security is based on more than one interest index.) As a result of this constant yield method of including OID in income, the amounts includible in income by a United States holder in respect of an OID debt security generally are lesser in the early years and greater in the later years than the amounts that would be includible on a straight-line basis.

The book/tax conformity rule applies to OID in some cases, and therefore may require accrual method holders to include OID on an OID debt security in a more accelerated manner than described above in this section if they do so for financial accounting purposes. It is uncertain what adjustments, if any, should be made in later accrual periods when taxable income exceeds income reflected on the United States holder's financial statements to reflect the accelerated accrual of income in earlier periods. In addition, it is possible, although less likely, that accrual method holders may be required to include *de minimis* OID in gross income as the *de minimis* OID accrues on their financial statements. The application of the book-tax conformity rule to OID and *de minimis* OID is uncertain, and accrual method taxpayers should consult with their tax advisors on how the rule may apply to their investment in the debt securities.

**Foreign Currency Debt Securities.** In the case of an OID debt security that is also a foreign currency debt security, a United States 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 each accrual period in the specified currency using the constant-yield method described above; and

translating the amount of the specified currency so derived at the average exchange rate in effect during that accrual period, or portion of such accrual period within a United States holder's taxable year, or, at the United States holder's election (as described above under **Payments of Interest**), at the spot rate of exchange on

(i) the last day of the accrual period, or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year, or (ii) on the date of receipt, if such date is within five business days of the last day of the accrual period.

All payments on an OID debt security, other than payments of qualified stated interest, will generally be viewed first as payments of previously accrued OID, to the extent thereof, with payments attributed first to the earliest accrued OID, and then as payments of principal. Upon the receipt of an amount attributable to OID,

---

**Table of Contents**

whether in connection with a payment of an amount that is not qualified stated interest or the disposition of the OID debt security, a United States holder will recognize ordinary income or loss measured by the difference between (i) the amount received and (ii) the amount accrued. The amount received will be translated into U.S. dollars at the spot rate of exchange on the date of receipt or on the date of disposition of the OID debt security. The amount accrued will be determined by using the spot rate of exchange applicable to such previous accrual.

*Acquisition Premium.* A United States holder that purchases an OID debt security for an amount less than or equal to the remaining redemption amount, but in excess of the OID debt security's adjusted issue price, generally is permitted to reduce the daily portions of OID by a fraction. The numerator of such fraction is the excess of the United States holder's adjusted tax basis in the OID debt security immediately after its purchase over the OID debt security's adjusted issue price. The denominator of such fraction is the excess of the remaining redemption amount over the OID debt security's adjusted issue price. For purposes of this prospectus,

remaining redemption amount means the sum of all amounts payable on an OID debt security after the purchase date other than payments of qualified stated interest.

The debt securities may have special redemption, repayment or interest rate reset features, as indicated in the applicable supplement. Debt securities containing such features, in particular OID debt securities, may be subject to special rules that differ from the general rules discussed above. Accordingly, purchasers of debt securities with such features should carefully examine the applicable supplement, and should consult their tax advisors relating to such debt securities.

*Market Discount*

If a United States holder purchases a debt security for an amount that is less than the debt security's stated redemption price at maturity or, in the case of an OID debt security, for an amount that is less than the debt security's revised issue price, *i.e.*, the debt security's issue price increased by the amount of accrued OID, the debt security will be considered to have market discount. 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 United States holder on the disposition of debt securities having market discount generally will be treated as ordinary income to the extent of the market discount that accrued on the debt security while held by such United States holder.

Alternatively, the United States holder may elect to include market discount in income currently over the life of the debt security. Such an election will apply to market discount debt securities acquired by the United States holder on or after the first day of the first taxable year to which such election applies and is revocable only with the consent of the IRS. Market discount will accrue on a straight-line basis unless the United States holder elects to accrue the market discount on a constant-yield method. Such an election will apply to the debt security to which it is made and is irrevocable. Unless the United States holder elects to include market discount in income on a current basis, as described above, the United States 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 debt security.

Market discount on a foreign currency debt security will be accrued by a United States holder in the specified currency. The amount includible in income by a United States 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 debt security is disposed of by the United States holder. Any accrued market discount on a foreign currency debt security that is currently includible in income will be translated into U.S. dollars at the average exchange rate for the accrual period or portion of such accrual period within the United States holder's taxable year.

Under the book/tax conformity rule, an accrual method holder that has made the election described above in the second paragraph of this section may be required to accrue market discount in a more accelerated manner than described therein if the holder does so for financial accounting purposes. It is also possible, although less

---

**Table of Contents**

likely, that accrual method holders that have not made the election described in such paragraph and that accrue market discount on a current basis on their financial statements may be required to accrue market discount including *de minimis* market discount currently for U.S. federal income tax purposes. The application of the book/tax conformity rule to debt security with market discount is uncertain, and accrual method taxpayers should consult with their tax advisors on how the rule may apply to their investment in the debt securities.

*Debt Securities Purchased at a Premium*

A United States holder that purchases a debt security for an amount in excess of the remaining redemption amount will be considered to have purchased the debt security at a premium and the OID rules will not apply to such holder. Such holder may elect to amortize such premium, as an offset to interest income, using a constant-yield method, over the remaining term of the debt security. Such election, once made, generally applies to all debt instruments held by the United States holder at the beginning of the first taxable year to which the election applies and to all debt instruments subsequently acquired by the United States holder. Such election may be revoked only with the consent of the IRS. A United States holder that elects to amortize such premium must reduce its tax basis in a debt security by the amount of the premium amortized during its holding period. For a United States holder that does not elect to amortize bond premium, the amount of such premium will be included in the United States holder's tax basis when the debt security matures or is disposed of by the United States holder. Therefore, a United States holder that does not elect to amortize premium and holds the debt security to maturity will generally be required to treat the premium as capital loss when the debt security matures.

Amortizable bond premium in respect of a foreign currency debt security will be computed in the specified currency and will reduce interest income in the specified currency. At the time amortized bond premium offsets interest income, exchange gain or loss, which will be taxable as ordinary income or loss, will be realized on the amortized bond premium on such debt security based on the difference between (i) the spot rate of exchange on the date or dates such premium is recovered through interest payments on the debt security and (ii) the spot rate of exchange on the date on which the United States holder acquired the debt security. See *Original Issue Discount Acquisition Premium* above for a discussion of the treatment of a debt security purchased for an amount less than or equal to the remaining redemption amount but in excess of the debt security's adjusted issue price.

*Foreign Currency Notes and Reportable Transactions*

A United States holder that participates in a reportable transaction will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A United States holder may be required to treat a foreign currency exchange loss from a foreign currency debt security as a reportable transaction if the loss exceeds \$50,000 in a single taxable year if the United States holder is an individual or trust, or higher amounts for other United States holders. In the event the acquisition, ownership or disposition of the foreign currency debt security constitutes participation in a reportable transaction for purposes of these rules, a United States holder will be required to disclose its investment to the IRS, currently on Form 8886. Prospective purchasers should consult their tax advisors regarding the application of these rules to the acquisition, ownership or disposition of a foreign currency debt security.

*Information Reporting and Backup Withholding*

Information returns may be required to be filed with the IRS relating to payments made to particular United States holders of debt securities. In addition, United States holders may be subject to a backup withholding tax on such payments if they do not provide their taxpayer identification numbers in the manner required, fail to certify that they are not subject to backup withholding tax, or otherwise fail to comply with applicable backup withholding tax rules. United States holders may also be subject to information reporting and backup withholding tax with respect to the

proceeds from a disposition of the debt securities. Any amounts withheld under the backup withholding rules will be allowed as a credit against the United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

---

**Table of Contents**

**Non-United States Holders**

Subject to the discussion below under **FATCA**, under current United States federal income tax law:

withholding of United States federal income tax will not apply to payments of interest on a debt security to a non-United States holder, provided that,

- (1) the holder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Citigroup entitled to vote and is not a controlled foreign corporation related to Citigroup through stock ownership;
- (2) the beneficial owner provides its name and address and certifies (generally on IRS Form W-8BEN or Form W-8BEN-E), under penalties of perjury, that it is a non-United States holder in compliance with applicable requirements; and
- (3) neither Citigroup nor its paying agent has actual knowledge or reason to know that the beneficial owner of the debt security is a United States holder.

withholding of United States federal income tax will generally not apply to any gain realized on the disposition of a debt security.

In general, backup withholding and information reporting will not apply to a payment of interest on a debt security to a non-United States holder, or to proceeds from the disposition of a debt security by a non-United States holder, in each case, if the holder certifies under penalties of perjury that it is a non-United States holder and neither Citigroup nor its paying agent has actual knowledge, or reason to know, to the contrary. Any amounts withheld under the backup withholding rules will be refunded or credited against the non-United States holder's United States federal income tax liability provided the required information is timely furnished to the IRS. In certain circumstances, if a debt security is not held through a qualified intermediary, the amount of payments made on such debt security, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

**FATCA**

Under the U.S. tax rules known as the Foreign Account Tax Compliance Act ( **FATCA** ), a holder of debt securities will generally be subject to 30% U.S. withholding tax on payments made on (and, after December 31, 2018, gross proceeds from the sale or other taxable disposition of) the debt securities if the holder (i) is, or holds its debt securities through, a foreign financial institution that has not entered into an agreement with the U.S. government to report, on an annual basis, certain information regarding accounts with or interests in the institution held by certain United States persons and by certain non-U.S. entities that are wholly or partially owned by United States persons, or that has been designated as a nonparticipating foreign financial institution if it is subject to an intergovernmental agreement between the United States and a foreign country, or (ii) fails to provide certain documentation (usually an IRS Form W-8BEN or W-8BEN-E) containing information about its identity, its FATCA status, and if required, its direct and indirect U.S. owners. The adoption of, or implementation of, an intergovernmental agreement between the United States and an applicable foreign country, or future U.S. Treasury regulations, may modify these requirements. If any taxes were to

be deducted or withheld from any payments in respect of the debt securities as a result of a beneficial owner or intermediary's failure to comply with the foregoing rules, no additional amounts will be paid on the debt securities as a result of the deduction or withholding of such tax. You should consult your own tax advisor on how these rules may apply to your investment in the debt securities.

**CURRENCY CONVERSIONS AND FOREIGN EXCHANGE RISKS AFFECTING**

**DEBT SECURITIES DENOMINATED IN A FOREIGN CURRENCY**

**Currency Conversions**

Unless otherwise specified in connection with a particular offering of debt securities, debt securities denominated in a foreign currency which are offered and sold in the United States ( DTC debt securities ) will



---

## **Table of Contents**

be represented by beneficial interests in fully registered permanent global debt securities ( DTC global debt securities ) which will be deposited with Citibank, N.A. London office, as custodian for, and registered in the name of Cede & Co., as nominee for, DTC. While interests in the DTC debt securities are held through the DTC global debt securities, all payments in respect of such debt securities will be made in U.S. dollars.

As determined by the exchange agent under the terms of the fiscal agency agreement, in accordance with reasonable market practice, the amount of U.S. dollars payable in respect of any particular payment under the DTC debt securities will be equal to the amount of the relevant foreign currency U.S.\$ rate of exchange prevailing as of 11:00 a.m. (London time) on the day which is two Business Days prior to the relevant payment date, less any costs incurred by the exchange agent for such conversion (to be shared pro rata among the holders of DTC debt securities accepting U.S. dollar payments in the proportion of their respective holdings), all in accordance with the fiscal agency agreement. If an exchange rate bid quotation is not available, the exchange agent shall obtain a bid quotation from a leading foreign exchange bank in London selected by the exchange agent for such purpose after consultation with Citigroup. If no bid quotation from a leading foreign exchange bank is available, payment will be in the relevant foreign currency to the account or accounts specified by DTC to the exchange agent. For purposes of this paragraph, a Business Day is a day on which commercial banks and foreign exchange markets settle payments in each of New York City and London.

Although DTC has agreed to the foregoing procedures, it is under no obligation to perform or continue to perform these procedures, and these procedures may be modified or discontinued.

Holders of the debt securities will be subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them. For further information as to such consequences, see Foreign Exchange Risks below.

### **Judgments in a Foreign Currency**

The debt securities will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

### **Foreign Exchange Risks**

An investment in debt securities which are denominated in, and all payments in respect of which are to be made in, a currency other than the currency of the country in which the purchaser is a resident or the currency in which the purchaser conducts its business or activities (the home currency ) entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include, without limitation, the possibility of significant changes in the rates of exchange between the home currency and the relevant foreign currency and the possibility of the imposition or modification of foreign exchange controls with respect to the relevant foreign currency. Such risks generally depend on economic and political events over which Citigroup has no control. In recent years, rates of exchange for foreign currencies have been volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of the debt securities. Depreciation of the relevant foreign currency against the relevant home currency could result in a decrease in the effective yield of such relevant foreign denominated debt security below its coupon rate and, in certain circumstances, could result in a

loss to the investor on a home currency basis.

This description of foreign currency risks does not describe all the risks of an investment in debt securities denominated in a currency other than the home currency. Prospective investors should consult with their financial and legal advisors as to the risks involved in an investment in a particular offering of debt securities.

**Table of Contents**

**DESCRIPTION OF COMMON STOCK WARRANTS**

The following briefly summarizes the material terms and provisions of the common stock warrants. You should read the particular terms of the common stock warrants that are offered by Citigroup, which will be described in more detail in a supplement. The supplement will also state whether any of the general provisions summarized below do not apply to the common stock warrants being offered. The supplement may add, update or change the terms and conditions of the common stock warrants as described in this prospectus.

Citigroup may offer common stock warrants pursuant to which it may sell or purchase common stock. The common stock warrants will be issued under common stock warrant agreements to be entered into between Citigroup and a bank or trust company, as common stock warrant agent. Except as otherwise stated in a supplement, the common stock warrant agent will act solely as the agent of Citigroup under the applicable common stock warrant agreement and will not assume any obligation or relationship of agency or trust for or with any owners of common stock warrants. A copy of the form of common stock warrant agreement, including the form of common stock warrant certificate, will be filed as an exhibit to a document incorporated by reference in the registration statement of which this prospectus forms a part. You should read the more detailed provisions of the common stock warrant agreement and the common stock warrant certificate for provisions that may be important to you.

**General**

The particular terms of each issue of common stock warrants, the common stock warrant agreement relating to the common stock warrants and the common stock warrant certificates representing common stock warrants will be described in the applicable supplement, including, as applicable:

the title of the common stock warrants;

the offering price of the common stock warrants;

the aggregate number of common stock warrants and the aggregate number of shares of common stock purchasable upon exercise of the common stock warrants;

the currency or currency units in which the offering price, if any, and the exercise price are payable;

the designation and terms of the common stock with which the common stock warrants are issued, and the number of common stock warrants issued with each share of common stock;

the date, if any, on and after which the common stock warrants and the related common stock will be separately transferable;

the minimum or maximum number of the common stock warrants that may be exercised at any one time;

the date on which the right to exercise the common stock warrants will commence and the date on which the right will expire;

a discussion of United States federal income tax, accounting or other considerations applicable to the common stock warrants;

anti-dilution provisions of the common stock warrants, if any;

redemption or call provisions, if any, applicable to the common stock warrants; and

any additional terms of the common stock warrants, including terms, procedures and limitations relating to the exchange and exercise of the common stock warrants.

**No Rights as Stockholders**

Holders of common stock warrants will not be entitled, solely by virtue of being holders, to vote, to consent, to receive dividends, to receive notice as stockholders with respect to any meeting of stockholders for the

**Table of Contents**

election of directors or any other matter, or to exercise any rights whatsoever as a holder of the common stock purchasable upon exercise of the common stock warrants.

**Merger, Consolidation, Sale or Other Disposition**

If at any time there is a merger or consolidation involving Citigroup or a sale, transfer, conveyance, other than lease, or other disposition of all or substantially all of the assets of Citigroup, then the assuming corporation will succeed to the obligations of Citigroup under the common stock warrant agreement and the related common stock warrants. Citigroup will then be relieved of any further obligation under the common stock warrant agreement and common stock warrants.

**Table of Contents**

**DESCRIPTION OF INDEX WARRANTS**

The following briefly summarizes the material terms and provisions of the index warrants, other than pricing and related terms disclosed in a supplement. You should read the particular terms of the index warrants that are offered by Citigroup, which will be described in more detail in a supplement. The supplement will also state whether any of the general provisions summarized below do not apply to the index warrants being offered.

Each series of index warrants will be issued under a separate index warrant agreement to be entered into between Citigroup and a bank or trust company, as index warrant agent. A single bank or trust company may act as index warrant agent for more than one series of index warrants. The index warrant agent will act solely as the agent of Citigroup under the applicable index warrant agreement and will not assume any obligation or relationship of agency or trust for or with any owners of index warrants. A copy of the form of index warrant agreement, including the form of certificate or global certificate that will represent the index warrant certificate, will be filed as an exhibit to a document incorporated by reference in the registration statement of which this prospectus forms a part. You should read the more detailed provisions of the index warrant agreement and the index warrant certificate or index warrant global certificate for provisions that may be important to you.

**General**

The index warrant agreement does not limit the number of index warrants that may be issued. Citigroup will have the right to reopen a previous series of index warrants by issuing additional index warrants of such series.

Each index warrant will entitle the warrant holder to receive from Citigroup, upon exercise, cash or securities. The amount in cash or number of securities will be determined by referring to an index calculated on the basis of prices, yields, levels or other specified objective measures in respect of:

one or more specified securities or securities indices;

one or more specified foreign currencies or currency indices;

a combination thereof; or

changes in such measure or differences between two or more such measures.

The supplement for a series of index warrants will describe the formula or methodology to be applied to the relevant index or indices to determine the amount payable or distributable on the index warrants.

If so specified in the supplement, the index warrants will entitle the warrant holder to receive from Citigroup a minimum or maximum amount upon automatic exercise at expiration or the happening of any other event described in the supplement.

The index warrants will be deemed to be automatically exercised upon expiration. Upon such automatic exercise, warrant holders will be entitled to receive the cash amount or number of securities due, if any, on such exercise.

You should read the supplement applicable to a series of index warrants for any circumstances in which the payment or distribution or the determination of the payment or distribution on the index warrants may be postponed or exercised early or cancelled. The amount due after any such delay or postponement, or early exercise or cancellation, will be described in the applicable supplement.

Unless otherwise specified in connection with a particular offering of index warrants, Citigroup will not purchase or take delivery of or sell or deliver any securities or currencies, including the underlying assets, other than the payment of any cash or distribution of any securities due on the index warrants, from or to warrant holders pursuant to the index warrants.

**Table of Contents**

The applicable supplement relating to a series of index warrants will describe the following:

the aggregate number of such index warrants;

the offering price of such index warrants;

the measure or measures by which payment or distribution on such index warrants will be determined;

certain information regarding the underlying securities, foreign currencies or indices;

the amount of cash or number of securities due, or the means by which the amount of cash or number of securities due may be calculated, on exercise of the index warrants, including automatic exercise, or upon cancellation;

the date on which the index warrants may first be exercised and the date on which they expire;

any minimum number of index warrants exercisable at any one time;

any maximum number of index warrants that may, at Citigroup's election, be exercised by all warrant holders or by any person or entity on any day;

any provisions permitting a warrant holder to condition an exercise of index warrants;

the method by which the index warrants may be exercised;

the currency in which the index warrants will be denominated and in which payments on the index warrants will be made or the securities that may be distributed in respect of the index warrants;

the method of making any foreign currency translation applicable to payments or distributions on the index warrants;

the method of providing for a substitute index or indices or otherwise determining the amount payable in connection with the exercise of index warrants if an index changes or is no longer available;



the time or times at which amounts will be payable or distributable in respect of such index warrants following exercise or automatic exercise;

any national securities exchange on, or self-regulatory organization with, which such index warrants will be listed;

any provisions for issuing such index warrants in certificated form;

if such index warrants are not issued in book-entry form, the place or places at and the procedures by which payments or distributions on the index warrants will be made; and

any other terms of such index warrants.

Prospective purchasers of index warrants should be aware of special United States federal income tax considerations applicable to instruments such as the index warrants. The supplement relating to each series of index warrants will describe these tax considerations. The summary of United States federal income tax considerations contained in the supplement will be presented for informational purposes only, however, and will not be intended as legal or tax advice to prospective purchasers. You are urged to consult your tax advisors before purchasing any index warrants.

### **Listing**

Unless otherwise specified in connection with a particular offering of index warrants, the index warrants will be listed on a national securities exchange or with a self-regulatory organization, in each case as specified in the supplement. It is expected that such organization will stop trading a series of index warrants as of the close of business on the related expiration date of such index warrants.

## **Table of Contents**

### **Modification**

The index warrant agreement and the terms of the related index warrants may be amended by Citigroup and the index warrant agent, without the consent of the holders of any index warrants, for any of the following purposes:

curing any ambiguity or curing, correcting or supplementing any defective or inconsistent provision;

maintaining the listing of such index warrants on any national securities exchange or with any other self-regulatory organization;

registering such index warrants under the Exchange Act, permitting the issuance of individual index warrant certificates to warrant holders, reflecting the issuance by Citigroup of additional index warrants of the same series or reflecting the appointment of a successor depositary; or

for any other purpose that Citigroup may deem necessary or desirable and which will not materially and adversely affect the interests of the warrant holders.

Citigroup and the index warrant agent also may modify or amend the index warrant agreement and the terms of the related index warrants, with the consent of the holders of not less than a majority of the then outstanding warrants of each series affected by such modification or amendment, for any purpose. However, no such modification or amendment may be made without the consent of each holder affected thereby if such modification or amendment:

changes the amount to be paid to the warrant holder or the manner in which that amount is to be determined;

shortens the period of time during which the index warrants may be exercised;

otherwise materially and adversely affects the exercise rights of the holders of the index warrants; or

reduces the percentage of the number of outstanding index warrants the consent of whose holders is required for modification or amendment of the index warrant agreement or the terms of the related index warrants.

### **Merger, Consolidation, Sale or Other Disposition**

If at any time there is a merger or consolidation involving Citigroup or a sale, transfer, conveyance, other than lease, or other disposition of all or substantially all of the assets of Citigroup, then the assuming corporation will succeed to the obligations of Citigroup under the index warrant agreement and the related index warrants. Citigroup will then be relieved of any further obligation under the index warrant agreement and index warrants.

### **Enforceability of Rights by Warrant Holders**

Any warrant holder may, without the consent of the index warrant agent or any other warrant holder, enforce by appropriate legal action on its own behalf his right to exercise, and to receive payment for, its index warrants.

**Table of Contents**

**DESCRIPTION OF CAPITAL STOCK**

**General**

As of the date of this prospectus, Citigroup's authorized capital stock consists of 6 billion shares of common stock and 30 million shares of preferred stock. The following briefly summarizes the material terms of Citigroup's common stock and outstanding preferred stock. You should read the more detailed provisions of Citigroup's certificate of incorporation and the certificate of designation relating to a series of preferred stock for provisions that may be important to you.

**Common Stock**

As of January 31, 2018, Citigroup had outstanding approximately 2.570 billion shares of its common stock. Each holder of common stock is entitled to one vote per share for the election of directors and for all other matters to be voted on by Citigroup's stockholders. Except as otherwise provided by law, the holders of shares of common stock vote as one class. Holders of common stock may not cumulate their votes in the election of directors, and are entitled to share equally in the dividends that may be declared by the board of directors, but only after payment of dividends required to be paid on outstanding shares of preferred stock.

Upon voluntary or involuntary liquidation, dissolution or winding up of Citigroup, the holders of the common stock share ratably in the assets remaining after payments to creditors and provision for the preference of any preferred stock. There are no preemptive or other subscription rights, conversion rights or redemption or scheduled installment payment provisions relating to shares of common stock. All of the outstanding shares of common stock are fully paid and nonassessable. The transfer agent and registrar for the common stock is Computershare Inc. and Computershare Trust Company, N.A. The common stock is listed on the NYSE under the symbol C.

**Preferred Stock**

The general terms of Citigroup's preferred stock are described below under Description of Preferred Stock.

**Table of Contents**

As of the date of this prospectus, Citigroup had outstanding the following series of preferred stock with the following terms:

<b>Title of Series</b>	<b>Number of Shares Outstanding</b>	<b>Dividend Rate Per Year</b>	<b>Redemption Price Per Share (\$)</b>	<b>Date Next Redeemable by Citigroup</b>
8.40% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series E	4,850	8.400% <sup>(1)</sup>	25,000	April 30, 2018*
5.950% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series A	60,000	5.950% <sup>(2)</sup>	25,000	January 30, 2023
5.90% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series B	30,000	5.900% <sup>(3)</sup>	25,000	February 15, 2023
5.80% Noncumulative Preferred Stock, Series C	23,000	5.800%	25,000	July 22, 2018
5.350% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series D	50,000	5.350% <sup>(4)</sup>	25,000	May 15, 2023
7.125% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series J	38,000	7.125% <sup>(5)</sup>	25,000	September 30, 2023
6.875% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series K	59,800	6.875% <sup>(6)</sup>	25,000	November 15, 2023
6.875% Noncumulative Preferred Stock, Series L	19,200	6.875%	25,000	February 12, 2019
6.300% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series M	70,000	6.300% <sup>(7)</sup>	25,000	May 15, 2024
5.800% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series N	60,000	5.800% <sup>(8)</sup>	25,000	November 15, 2019
5.875% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series O	60,000	5.875% <sup>(9)</sup>	25,000	March 27, 2020
5.950% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series P	80,000	5.950% <sup>(10)</sup>	25,000	May 15, 2025
5.950% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series Q	50,000	5.950% <sup>(11)</sup>	25,000	August 15, 2020
6.125% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series R	60,000	6.125% <sup>(12)</sup>	25,000	November 15, 2020
6.300% Noncumulative Preferred Stock, Series S	41,400	6.300%	25,000	February 12, 2021
6.250% Fixed Rate/Floating Rate Noncumulative Preferred Stock, Series T	60,000	6.250% <sup>(13)</sup>	25,000	August 15, 2026

\* On March 28, 2018, Citigroup announced the redemption of the Series E Preferred Stock, which will occur on April 30, 2018.

(1) Dividends payable at the fixed rate until April 30, 2018, and thereafter at a rate equal to the greater of (a) a floating rate equal to three-month LIBOR plus 4.0285% and (b) 7.7575%.

(2)

- Dividends payable at the fixed rate until January 30, 2023, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.068%.
- (3) Dividends payable at the fixed rate until February 15, 2023, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.23%.
  - (4) Dividends payable at the fixed rate until May 15, 2023, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 3.466%.
  - (5) Dividends payable at the fixed rate until September 30, 2023, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.040%.
  - (6) Dividends payable at the fixed rate until November 15, 2023, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.130%.
  - (7) Dividends payable at the fixed rate until May 15, 2024, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 3.423%.
  - (8) Dividends payable at the fixed rate until November 15, 2019, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.093%.
  - (9) Dividends payable at the fixed rate until March 27, 2020, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.059%.

---

**Table of Contents**

- (10) Dividends payable at the fixed rate until May 15, 2025, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 3.905%.
- (11) Dividends payable at the fixed rate until August 15, 2020, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.095%.
- (12) Dividends payable at the fixed rate until November 15, 2020, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.478%.
- (13) Dividends payable at the fixed rate until August 15, 2026, and thereafter at a rate equal to a floating rate equal to three-month LIBOR plus 4.517%.

The following summary of each series of Citigroup's preferred stock outstanding on the date hereof is qualified in its entirety by reference to the description of those securities contained in the Restated Certificate of Incorporation of Citigroup and the applicable certificate of designation for each series.

***Series E Preferred Stock***

***Preferential Rights.*** The Series E Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series E Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series E Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series E Preferred Stock without the consent of the holders of the Series E Preferred Stock.

***Dividends.*** Holders of the Series E Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding, April 30, 2018, at an annual rate of 8.400% on the liquidation preference amount of \$25,000 per share of Series E Preferred Stock, semi-annually in arrears, on April 30 and October 30 of each year, beginning on October 30, 2008, and (ii) from and including April 30, 2018, at an annual rate equal to the greater of (a) three-month LIBOR plus 4.0285% and (b) 7.7575%, on the liquidation preference amount of \$25,000 per share of Series E Preferred Stock, quarterly in arrears, on January 30, April 30, July 30, and October 30 of each year, beginning on July 30, 2018. Dividends on the Series E Preferred Stock are noncumulative.

As long as shares of Series E Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of Series E Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series E Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series E Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any dividend payable on any Series E Preferred Stock is in arrears for at least three semi-annual or six quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series E Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series E Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series E Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series E Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series E Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series E Preferred Stock then outstanding, Citigroup may





---

**Table of Contents**

not create any class of stock having preference as to dividends or distributions of the assets over the Series E Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designation relating to the Series E Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series E Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series E Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series E Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series E Preferred Stock, with the prior approval of the Federal Reserve if required, in whole or in part, at its option, at any time or from time to time on any dividend payment date on or after April 30, 2018 as to which Citigroup has declared a dividend in full on the Series E Preferred Stock at a redemption price equal to \$25,000 per share.

***Series A Preferred Stock***

***Preferential Rights.*** The Series A Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series A Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series A Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series A Preferred Stock without the consent of the holders of the Series A Preferred Stock.

***Dividends.*** Holders of the Series A Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding, January 30, 2023, at an annual rate of 5.950% on the liquidation preference of \$25,000 per share of Series A Preferred Stock, semi-annually in arrears, on January 30 and July 30 of each year, beginning on July 30, 2013, and (ii) from and including January 30, 2023, at an annual rate equal to three-month LIBOR plus 4.068% on the liquidation preference amount of \$25,000 per share of Series A Preferred Stock, quarterly in arrears, on January 30, April 30, July 30, and October 30 of each year, beginning on April 30, 2023. Dividends on the Series A Preferred Stock are noncumulative.

As long as shares of Series A Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series A Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series A Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series A Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series A Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series A Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series A Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series A Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series A Preferred Stock to elect the Preferred Stock Directors will continue until all

dividend arrearages on the Series A Preferred Stock have been paid or declared and set apart for payment.

---

**Table of Contents**

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series A Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series A Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series A Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series A Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series A Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series A Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series A Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time on any dividend payment date on or after January 30, 2023, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series A Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series B Preferred Stock***

***Preferential Rights.*** The Series B Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series B Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series B Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series B Preferred Stock without the consent of the holders of the Series B Preferred Stock.

***Dividends.*** Holders of the Series B Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding February 15, 2023, at an annual rate of 5.90% on the liquidation preference amount of \$25,000 per share of Series B Preferred Stock, semi-annually in arrears, on February 15 and August 15 of each year, beginning on August 15, 2013, and (ii) from, and including, February 15, 2023, at an annual rate equal to three-month LIBOR plus 4.23% on the liquidation preference amount of \$25,000 per share of Series B Preferred Stock, quarterly in arrears, on February 15, May 15, August 15, and November 15 of each year, beginning on May 15, 2023. Dividends on the Series B Preferred Stock are noncumulative.

As long as shares of Series B Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series B Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series B Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series B Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series B Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series B Preferred Stock will be entitled to

vote as a class, together with the holders of all series of preferred stock ranking equally with the Series B Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted

---

**Table of Contents**

to the holders of Series B Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series B Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series B Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series B Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series B Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series B Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series B Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series B Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series B Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series B Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time on any dividend payment date on or after February 15, 2023, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series B Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series C Preferred Stock***

***Preferential Rights.*** The Series C Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series C Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series C Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series C Preferred Stock without the consent of the holders of the Series C Preferred Stock.

***Dividends.*** Holders of the Series C Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, at an annual rate of 5.80% on the liquidation preference amount of \$25,000 per share quarterly in arrears on January 22, April 22, July 22 and October 22 of each year, beginning on July 22, 2013. Dividends on the Series C Preferred Stock are noncumulative and are payable quarterly in arrears. As long as shares of Series C Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series C Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series C Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series C Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series C Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series C Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series C Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted

---

**Table of Contents**

to the holders of Series C Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series C Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series C Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series C Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series C Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series C Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series C Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series C Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series C Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series C Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after April 22, 2018 or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series C Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series D Preferred Stock***

***Preferential Rights.*** The Series D Preferred Stock ranks senior to Citigroup common stock, ranks equally with the Series E Preferred Stock, the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock and the Series J Preferred Stock, as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series D Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series D Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series D Preferred Stock without the consent of the holders of the Series D Preferred Stock.

***Dividends.*** Holders of the Series D Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding, May 15, 2023, at an annual rate of 5.350% on the liquidation preference amount of \$25,000 per share of Series D Preferred Stock, semi-annually in arrears, on May 15 and November 15 of each year, beginning on November 15, 2013, and (ii) from, and including, May 15, 2023, at an annual rate equal to three-month LIBOR plus 3.466% on the liquidation preference amount of \$25,000 per share of Series D Preferred Stock, quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, beginning on August 15, 2023. Dividends on the Series D Preferred Stock are noncumulative.

As long as shares of Series D Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series D Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series D Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series D Preferred stock do not have voting rights other than those described below and as specifically required by Delaware law. If any quarterly dividend payable on any Series D Preferred



---

**Table of Contents**

Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series D Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series D Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series D Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series D Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series D Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series D Preferred Stock then outstanding. Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series D Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series D Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series D Preferred Stock.

***Distribution.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series D Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series D Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series D Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time on any dividend payment date on or after May 15, 2023, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series D Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series J Preferred Stock***

***Preferential Rights.*** The Series J Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series J Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series J Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series J Preferred Stock without the consent of the holders of the Series J Preferred Stock.

***Dividends.*** Holders of the Series J Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding September 30, 2023, at an annual rate of 7.125% on the liquidation preference amount of \$25,000 per share quarterly in arrears on March 30, June 30, September 30 and December 30 of each year, beginning on December 30, 2013, and (ii) from, and including, September 30, 2023, at an annual rate equal to three-month LIBOR plus 4.040% on the liquidation preference amount of \$25,000 per share of Series J Preferred Stock, quarterly in arrears, on March 30, June 30, September 30 and December 30 of each year, beginning on December 30, 2013. Dividends on the Series J Preferred Stock are noncumulative and are payable quarterly in arrears.

As long as shares of Series J Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series J

Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series J Preferred Stock during the next succeeding dividend period.

---

**Table of Contents**

***Voting Rights.*** Holders of Series J Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series J Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series J Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series J Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series J Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series J Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series J Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series J Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series J Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series J Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series J Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series J Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series J Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series J Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after September 30, 2023 or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series J Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series K Preferred Stock***

***Preferential Rights.*** The Series K Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series K Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series K Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series K Preferred Stock without the consent of the holders of the Series K Preferred Stock.

***Dividends.*** Holders of the Series K Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) from the date of issuance to, but excluding November 15, 2023, at an annual rate of 6.875% on the liquidation preference amount of \$25,000 per share quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, beginning on February 15, 2014 and (ii) from, and including, November 15, 2023, at an annual rate equal to three-month LIBOR plus 4.130% on the liquidation preference amount of \$25,000 per share of Series K Preferred Stock, quarterly in arrears, on February 15, May 15, August 15 and November 15 of each year, beginning on February 15, 2024. Dividends on the Series K Preferred Stock are noncumulative and are payable

quarterly in arrears.

---

**Table of Contents**

As long as shares of Series K Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series K Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series K Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series K Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series K Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series K Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series K Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series K Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series K Preferred Stock to elect the Preferred Stock Directors will continue until all dividend arrearages on the Series K Preferred Stock have been paid or declared and set apart for payment.

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series K Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series K Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series K Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series K Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series K Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series K Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any accrued and accumulated but unpaid dividends thereon to the date of final distribution.

***Redemption.*** Citigroup may redeem the Series K Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after November 15, 2023 or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series K Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series L Preferred Stock***

***Preferential Rights.*** The Series L Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series L Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series L Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series L Preferred Stock without the consent of the holders of the Series L Preferred Stock.

***Dividends.*** Holders of the Series L Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, at an annual rate of 6.875% on the liquidation preference amount of \$25,000 per share quarterly in arrears on

February 12, May 12, August 12 and November 12 of each year, beginning on May 12, 2014. Dividends on the Series L Preferred Stock are noncumulative and are payable quarterly in arrears. As long

---

**Table of Contents**

as shares of Series L Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series L Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series L Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series L Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series L Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series L Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series L Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series L Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series L Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment on the Series L Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series L Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series L Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series L Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series L Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series L Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series L Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series L Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after February 12, 2019, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series L Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series M Preferred Stock***

***Preferential Rights.*** The Series M Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series M Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series M Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to

the Series M Preferred Stock without the consent of the holders of the Series M Preferred Stock.

***Dividends.*** Holders of the Series M Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally



---

**Table of Contents**

available for payment, (i) at an annual rate of 6.300% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each May 15 and November 15, beginning November 15, 2014, and (ii) at an annual rate equal to three-month LIBOR plus 3.423% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning August 15, 2024. Dividends on the Series M Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series M Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series M Preferred Stock, Citigroup cannot declare or pay any cash dividends on any shares of common stock or other capital stock ranking junior to the Series M Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of Series M Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series M Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series M Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series M Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series M Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series M Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment on the Series M Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series M Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series M Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series M Preferred Stock) so as to adversely affect the powers, preferences or rights of the holders of shares of Series M Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series M Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made to or set aside to holders of capital stock ranking junior to the Series M Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series M Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after May 15, 2024, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series M Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series N Preferred Stock***

***Preferential Rights.*** The Series N Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series N Preferred Stock is not

---

**Table of Contents**

convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series N Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series N Preferred Stock without the consent of the holders of the Series N Preferred Stock.

**Dividends.** Holders of the Series N Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 5.800% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each May 15 and November 15, beginning May 15, 2015, and (ii) at an annual rate equal to three-month LIBOR plus 4.093% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning February 15, 2020. Dividends on the Series N Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series N Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series N Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series N Preferred Stock during the next succeeding dividend period.

**Voting Rights.** Holders of the Series N Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series N Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series N Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series N Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series N Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series N Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series N Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series N Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series N Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series N Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series N Preferred Stock.

**Distributions.** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series N Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series N Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

**Redemption.** Citigroup may redeem the Series N Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after November 15, 2019, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital

Event (as defined in the Series N Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

---

**Table of Contents*****Series O Preferred Stock***

***Preferential Rights.*** The Series O Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series O Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series O Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series O Preferred Stock without the consent of the holders of the Series O Preferred Stock.

***Dividends.*** Holders of the Series O Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 5.875% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each March 27 and September 27, beginning September 27, 2015, and (ii) at an annual rate equal to three-month LIBOR plus 4.059% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each March 27, June 27, September 27 and December 27, beginning June 27, 2020. Dividends on the Series O Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series O Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series O Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series O Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of the Series O Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series O Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series O Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series O Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series O Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series O Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series O Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series O Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series O Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designation relating to the Series O Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series O Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series O Preferred Stock are entitled to receive out of assets available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series O Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or

winding up, but only if and to the extent declared.

**Redemption.** Citigroup may redeem the Series O Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend

---

**Table of Contents**

payment date on or after March 27, 2020, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series O Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series P Preferred Stock***

***Preferential Rights.*** The Series P Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series P Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series P Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series P Preferred Stock without the consent of the holders of the Series P Preferred Stock.

***Dividends.*** Holders of the Series P Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 5.950% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each May 15 and November 15, beginning November 15, 2015, and (ii) at an annual rate equal to three-month LIBOR plus 3.905% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning August 15, 2025. Dividends on the Series P Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series P Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series P Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series P Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of the Series P Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series P Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series P Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series P Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series P Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series P Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semi-annual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series P Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series P Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series P Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series P Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series P Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series P Preferred Stock are entitled to receive out of assets available for distribution to



---

**Table of Contents**

stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series P Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

**Redemption.** Citigroup may redeem the Series P Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after May 15, 2025, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series P Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series Q Preferred Stock***

**Preferential Rights.** The Series Q Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series Q Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series Q Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series Q Preferred Stock without the consent of the holders of the Series Q Preferred Stock.

**Dividends.** Holders of the Series Q Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 5.950% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each February 15 and August 15, beginning February 15, 2016, and (ii) at an annual rate equal to three-month LIBOR plus 4.095% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning November 15, 2020. Dividends on the Series Q Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series Q Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series Q Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series Q Preferred Stock during the next succeeding dividend period.

**Voting Rights.** Holders of the Series Q Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series Q Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series Q Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series Q Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series Q Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series Q Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series Q Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series Q Preferred Stock then outstanding, Citigroup may

---

**Table of Contents**

not create any class of stock having preference as to dividends or distributions of the assets over the Series Q Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series Q Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series Q Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series Q Preferred Stock are entitled to receive out of assets legally available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series Q Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series Q Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after August 15, 2020, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series Q Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series R Preferred Stock***

***Preferential Rights.*** The Series R Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series R Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series R Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series R Preferred Stock without the consent of the holders of the Series R Preferred Stock.

***Dividends.*** Holders of the Series R Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 6.125% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each May 15 and November 15, beginning May 15, 2016, and (ii) at an annual rate equal to three-month LIBOR plus 4.478% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning February 15, 2021. Dividends on the Series R Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series R Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series R Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series R Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of the Series R Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series R Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series R Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series R Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series R Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors.

The voting rights of the holders of the Series R Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two

---

**Table of Contents**

consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series R Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series R Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series R Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series R Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series R Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series R Preferred Stock are entitled to receive out of assets legally available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series R Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series R Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after November 15, 2020, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series R Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series S Preferred Stock***

***Preferential Rights.*** The Series S Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series S Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series S Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series S Preferred Stock without the consent of the holders of the Series S Preferred Stock.

***Dividends.*** Holders of the Series S Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, at an annual rate of 6.300% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 12, May 12, August 12 and November 12 of each year, beginning May 12, 2016. Dividends on the Series S Preferred Stock are noncumulative and are payable quarterly in arrears. As long as shares of Series S Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series S Preferred Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series S Preferred Stock during the next succeeding dividend period.

***Voting Rights.*** Holders of the Series S Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any quarterly dividend payable on any Series S Preferred Stock is in arrears for six or more quarterly dividend periods, whether or not for consecutive dividend periods, the holders of the Series S Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with

---

**Table of Contents**

the Series S Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series S Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series S Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual periods or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series S Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series S Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series S Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series S Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series S Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series S Preferred Stock are entitled to receive out of assets legally available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series S Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series S Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after February 12, 2021, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series S Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

***Series T Preferred Stock***

***Preferential Rights.*** The Series T Preferred Stock ranks senior to Citigroup common stock and ranks equally with each other series of Citigroup preferred stock outstanding on the date hereof as to dividends and distributions upon the liquidation, dissolution or winding up of Citigroup. The Series T Preferred Stock is not convertible into or exchangeable for any shares of common stock or any other class of Citigroup capital stock. Holders of the Series T Preferred Stock do not have any preemptive rights. Citigroup may issue stock with preferences equal with or junior to the Series T Preferred Stock without the consent of the holders of the Series T Preferred Stock.

***Dividends.*** Holders of the Series T Preferred Stock are entitled to receive cash dividends when and as declared by the board of directors of Citigroup or a duly authorized committee of the board out of assets legally available for payment, (i) at an annual rate of 6.250% on the liquidation preference amount of \$25,000 per share semiannually in arrears on each February 15 and August 15, beginning February 15, 2017, and (ii) at an annual rate equal to three-month LIBOR plus 4.517% on the liquidation preference amount of \$25,000 per share quarterly in arrears on each February 15, May 15, August 15 and November 15, beginning November 15, 2026. Dividends on the Series T Preferred Stock are noncumulative and are payable semiannually or quarterly, as applicable, in arrears. As long as shares of Series T Preferred Stock remain outstanding, unless full noncumulative dividends for the dividend period then ending have been paid or declared and set apart for payment on all outstanding shares of the Series T Preferred

Stock, Citigroup cannot declare or pay any cash dividend on any shares of common stock or other capital stock ranking junior to the Series T Preferred Stock during the next succeeding dividend period.



---

**Table of Contents**

***Voting Rights.*** Holders of the Series T Preferred Stock do not have voting rights other than those described below and as specifically required by Delaware law.

If any semiannual dividend payable on any Series T Preferred Stock is in arrears for three or more semiannual dividend periods, whether or not for consecutive dividend periods, the holders of the Series T Preferred Stock will be entitled to vote as a class, together with the holders of all series of preferred stock ranking equally with the Series T Preferred Stock as to payment of dividends and upon which voting rights equivalent to those granted to the holders of Series T Preferred Stock have been conferred and are exercisable, for the election of two Preferred Stock Directors. The voting rights of the holders of the Series T Preferred Stock to elect the Preferred Stock Directors will cease when Citigroup has paid noncumulative dividends in full for at least two consecutive semiannual or four consecutive quarterly dividend periods, as applicable, following a Nonpayment of the Series T Preferred Stock and on any noncumulative dividend parity stock and has paid cumulative dividends in full on any cumulative dividend parity stock (but subject always to the vesting of such voting rights in the case of any similar non-payment of dividends in respect of future dividend periods).

Also, without the consent of the holders of shares entitled to cast at least two-thirds of the votes entitled to be cast by the holders of the total number of shares of Series T Preferred Stock then outstanding, Citigroup may not create any class of stock having preference as to dividends or distributions of the assets over the Series T Preferred Stock, or alter or change the provisions of Citigroup's certificate of incorporation (including any certificate of amendment or certificate of designations relating to the Series T Preferred Stock) so as to adversely affect the powers, preferences or rights of the holder of the shares of Series T Preferred Stock.

***Distributions.*** In the event of the voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of Series T Preferred Stock are entitled to receive out of assets legally available for distribution to stockholders, before any distribution of assets may be made or set aside to holders of capital stock ranking junior to the Series T Preferred Stock as to distributions, a liquidating distribution in an amount equal to \$25,000 per share, plus any dividends thereon from the last dividend payment date to, but excluding, the date of liquidation, dissolution or winding up, but only if and to the extent declared.

***Redemption.*** Citigroup may redeem the Series T Preferred Stock, with the prior approval of the Federal Reserve if required, (i) in whole or in part, at its option, at any time or from time to time, on any dividend payment date on or after August 15, 2026, or (ii) in whole but not in part at any time within 90 days following a Regulatory Capital Event (as defined in the Series T Preferred Stock certificate of designations), in each case at the redemption price equal to \$25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends, to, but excluding, the date fixed for redemption.

**Important Provisions of Citigroup's Certificate of Incorporation and By-Laws**

***Business Combinations.*** The certificate of incorporation generally requires the affirmative vote of at least a majority of the votes cast affirmatively or negatively by the holders of the then outstanding shares of voting stock, voting together as a single class, to approve any merger or other business combination between Citigroup and any interested stockholder, unless (1) the transaction has been approved by a majority of the continuing directors of Citigroup or (2) minimum price, form of consideration and procedural requirements are satisfied. An interested stockholder as defined in the certificate of incorporation generally means a person who owns at least 25% of the voting stock of Citigroup or who is an affiliate or associate of Citigroup and owned at least 25% of the voting stock of Citigroup at any time during the prior two years. A continuing director, as defined in the certificate of incorporation, generally means a director who is not related to an interested stockholder and held that position before an interested stockholder became an interested stockholder.

*Amendments to Certificate of Incorporation and By-Laws.* The affirmative vote of the holders of at least a majority of the voting power of the shares entitled to vote is required to amend the provisions of the certificate of incorporation relating to the issuance of common stock. Amendments of provisions of the certificate of

---

**Table of Contents**

incorporation relating to business combinations generally require a vote of the holders of at least a majority of the then outstanding shares of voting stock. The board of directors, at any meeting, may alter or amend the by-laws upon the affirmative vote of at least 66 2/3% of the entire board of directors.

*Vacancies.* Vacancies on the board of directors resulting from an increase in the number of directors may be filled by a majority of the board of directors then in office, so long as a quorum is present. Any other vacancies on the board of directors may be filled by a majority of the directors then in office, even if less than a quorum. Any director elected to fill a vacancy that did not result from increasing the size of the board of directors shall hold office for a term coinciding with the predecessor director's remaining term.

**DESCRIPTION OF PREFERRED STOCK**

The following briefly summarizes the material terms of Citigroup's preferred stock, other than pricing and related terms disclosed in the accompanying supplement. You should read the particular terms of any series of preferred stock offered by Citigroup, which will be described in more detail in any supplement relating to such series, together with the more detailed provisions of Citigroup's restated certificate of incorporation and the certificate of designation relating to each particular series of preferred stock for provisions that may be important to you. The certificate of incorporation, as amended and restated, is incorporated by reference into the registration statement of which this prospectus forms a part. The certificate of designation relating to the particular series of preferred stock offered by the accompanying supplement and this prospectus will be filed as an exhibit to a document incorporated by reference in the registration statement. The prospectus supplement will also state whether any of the terms summarized below do not apply to the series of preferred stock being offered. For a description of Citigroup's outstanding preferred stock, see Description of Capital Stock.

Under Citigroup's certificate of incorporation, the board of directors of Citigroup is authorized to issue shares of preferred stock in one or more series, and to establish from time to time a series of preferred stock with the following terms specified:

the number of shares to be included in the series;

the designation, powers, preferences and rights of the shares of the series; and

the qualifications, limitations or restrictions of such series.

Prior to the issuance of any series of preferred stock, the board of directors of Citigroup will adopt resolutions creating and designating the series as a series of preferred stock and the resolutions will be filed in a certificate of designation as an amendment to the certificate of incorporation. The term board of directors of Citigroup includes any duly authorized committee.

The rights of holders of the preferred stock offered may be adversely affected by the rights of holders of any shares of preferred stock that may be issued in the future. The board of directors may cause shares of preferred stock to be issued in public or private transactions for any proper corporate purpose. Examples of proper corporate purposes include issuances to obtain additional financing in connection with acquisitions or otherwise, and issuances to officers, directors and employees of Citigroup and its subsidiaries pursuant to benefit plans or otherwise. Shares of preferred stock issued by Citigroup may have the effect of rendering more difficult or discouraging an acquisition of Citigroup

deemed undesirable by the board of directors of Citigroup.

Under existing interpretations of The Board of Governors of the Federal Reserve System, if the holders of the preferred stock become entitled to vote for the election of directors because dividends on the preferred stock are in arrears as described below, preferred stock may then be deemed a class of voting securities and a holder of 25% or more of the preferred stock or a holder of 5% or more of the preferred stock that is otherwise a bank

## **Table of Contents**

holding company may then be regulated as a bank holding company with respect to Citigroup in accordance with the Bank Holding Company Act. In addition, at such time:

any bank holding company or foreign bank with a U.S. presence generally would be required to obtain the approval of the Federal Reserve under the BHC Act to acquire or retain 5% or more of the preferred stock; and

any person other than a bank holding company may be required to obtain the approval of the Federal Reserve under the Change in Bank Control Act to acquire or retain 10% or more of the preferred stock. Before exercising its option to redeem any shares of preferred stock, Citigroup will obtain the approval of the Federal Reserve if then required by applicable law.

The preferred stock will be, when issued, fully paid and nonassessable. Holders of preferred stock will not have any preemptive or subscription rights to acquire more stock of Citigroup.

The transfer agent, registrar, dividend disbursing agent and redemption agent for shares of each series of preferred stock will be named in the supplement relating to such series.

## **Rank**

Unless otherwise specified in connection with a particular offering of preferred stock, such shares will rank on an equal basis with each other series of preferred stock and prior to the common stock as to dividends and distributions of assets.

## **Dividends**

Holders of each series of preferred stock will be entitled to receive cash dividends when, as and if declared by the board of directors of Citigroup out of funds legally available for dividends. The rates and dates of payment of dividends will be set forth in the supplement relating to each series of preferred stock. Dividends will be payable to holders of record of preferred stock as they appear on the books of Citigroup or, if applicable, the records of the depositary referred to below under Description of Depositary Shares, on the record dates fixed by the board of directors. Dividends on a series of preferred stock may be cumulative or noncumulative.

Citigroup may not declare, pay or set apart for payment dividends on the preferred stock unless full dividends on other series of preferred stock that rank on an equal or senior basis have been paid or sufficient funds have been set apart for payment for

all prior dividend periods of other series of preferred stock that pay dividends on a cumulative basis; or

the immediately preceding dividend period of other series of preferred stock that pay dividends on a noncumulative basis.

Partial dividends declared on shares of preferred stock and each other series of preferred stock ranking on an equal basis as to dividends will be declared pro rata. A pro rata declaration means that the ratio of dividends declared per share to accrued dividends per share will be the same for each series of preferred stock.

Similarly, Citigroup may not declare, pay or set apart for payment non-stock dividends or make other payments on the common stock or any other stock of Citigroup ranking junior to the preferred stock until full dividends on the preferred stock have been paid or set apart for payment for

all prior dividend periods if the preferred stock pays dividends on a cumulative basis; or

the immediately preceding dividend period if the preferred stock pays dividends on a noncumulative basis.

## **Table of Contents**

### **Conversion and Exchange**

The supplement for a series of preferred stock will state the terms, if any, on which shares of that series are convertible into or exchangeable for shares of Citigroup's common stock.

### **Redemption**

If so specified in the applicable supplement, a series of preferred stock may be redeemable, with the prior approval of the Federal Reserve if required, at any time, in whole or in part, at the option of Citigroup or the holder thereof and may be mandatorily redeemed.

Any partial redemptions of preferred stock will be made in a way that the board of directors decides is equitable.

Unless Citigroup defaults in the payment of the redemption price, dividends will cease to accrue after the redemption date on shares of preferred stock called for redemption and all rights of holders of such shares will terminate except for the right to receive the redemption price.

### **Liquidation Preference**

Upon any voluntary or involuntary liquidation, dissolution or winding up of Citigroup, holders of each series of preferred stock will be entitled to receive distributions upon liquidation in the amount set forth in the supplement relating to such series of preferred stock, plus an amount equal to any accrued and unpaid dividends. Such distributions will be made before any distribution is made on any securities ranking junior relating to liquidation, including common stock.

If the liquidation amounts payable relating to the preferred stock of any series and any other securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the preferred stock of such series and such other securities will share in any such distribution of available assets of Citigroup on a ratable basis in proportion to the full liquidation preferences. Holders of such series of preferred stock will not be entitled to any other amounts from Citigroup after they have received their full liquidation preference.

### **Voting Rights**

The holders of shares of preferred stock will have no voting rights, except:

as otherwise stated in the supplement;

as otherwise stated in the certificate of designation establishing such series; and

as required by applicable law.

### **DESCRIPTION OF DEPOSITARY SHARES**

The following briefly summarizes the material provisions of the deposit agreement and of the depositary shares and depositary receipts, other than pricing and related terms disclosed in the accompanying supplement. You should read

the particular terms of any depositary shares and any depositary receipts that are offered by Citigroup and any deposit agreement relating to a particular series of preferred stock, which will be described in more detail in a supplement. The supplement will also state whether any of the generalized provisions summarized below do not apply to the depositary shares or depositary receipts being offered. A copy of the form of deposit agreement, including the form of depositary receipt, is incorporated by reference as an exhibit in the registration statement of which this prospectus forms a part. You should read the more detailed provisions of the deposit agreement and the form of depositary receipt for provisions that may be important to you.



## **Table of Contents**

### **General**

Citigroup may, at its option, elect to offer fractional shares of preferred stock, rather than full shares of preferred stock. In such event, Citigroup will issue receipts for depositary shares, each of which will represent a fraction of a share of a particular series of preferred stock.

The shares of any series of preferred stock represented by depositary shares will be deposited under a deposit agreement between Citigroup and a bank or trust company selected by Citigroup having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000, as preferred stock depositary. Each owner of a depositary share will be entitled to all the rights and preferences of the underlying preferred stock, including dividend, voting, redemption, conversion and liquidation rights, in proportion to the applicable fraction of a share of preferred stock represented by such depositary share.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of preferred stock in accordance with the terms of the applicable supplement.

### **Dividends and Other Distributions**

The preferred stock depositary will distribute all cash dividends or other cash distributions received in respect of the deposited preferred stock to the record holders of depositary shares relating to such preferred stock in proportion to the number of such depositary shares owned by such holders.

The preferred stock depositary will distribute any property received by it other than cash to the record holders of depositary shares entitled thereto. If the preferred stock depositary determines that it is not feasible to make such distribution, it may, with the approval of Citigroup, sell such property and distribute the net proceeds from such sale to such holders.

### **Redemption of Preferred Stock**

If a series of preferred stock represented by depositary shares is to be redeemed, the depositary shares will be redeemed from the proceeds received by the preferred stock depositary resulting from the redemption, in whole or in part, of such series of preferred stock. The depositary shares will be redeemed by the preferred stock depositary at a price per depositary share equal to the applicable fraction of the redemption price per share payable in respect of the shares of preferred stock so redeemed.

Whenever Citigroup redeems shares of preferred stock held by the preferred stock depositary, the preferred stock depositary will redeem as of the same date the number of depositary shares representing the shares of preferred stock so redeemed. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by the preferred stock depositary by lot or ratably or by any other equitable method as the preferred stock depositary may decide.

### **Withdrawal of Preferred Stock**

Unless the related depositary shares have previously been called for redemption, any holder of depositary shares may receive the number of whole shares of the related series of preferred stock and any money or other property represented by such depositary receipts after surrendering the depositary receipts at the corporate trust office of the preferred stock depositary. Holders of depositary shares making such withdrawals will be entitled to receive whole

shares of preferred stock on the basis set forth in the related supplement for such series of preferred stock.

However, holders of such whole shares of preferred stock will not be entitled to deposit such preferred stock under the deposit agreement or to receive depositary receipts for such preferred stock after such withdrawal. If

## **Table of Contents**

the depositary shares surrendered by the holder in connection with such withdrawal exceed the number of depositary shares that represent the number of whole shares of preferred stock to be withdrawn, the preferred stock depositary will deliver to such holder at the same time a new depositary receipt evidencing such excess number of depositary shares.

### **Voting Deposited Preferred Stock**

Upon receipt of notice of any meeting at which the holders of any series of deposited preferred stock are entitled to vote, the preferred stock depositary will mail the information contained in such notice of meeting to the record holders of the depositary shares relating to such series of preferred stock. Each record holder of such depositary shares on the record date will be entitled to instruct the preferred stock depositary to vote the amount of the preferred stock represented by such holder's depositary shares. The preferred stock depositary will try to vote the amount of such series of preferred stock represented by such depositary shares in accordance with such instructions.

Citigroup will agree to take all reasonable actions that the preferred stock depositary determines are necessary to enable the preferred stock depositary to vote as instructed. The preferred stock depositary will vote all shares of any series of preferred stock held by it proportionately with instructions received if it does not receive specific instructions from the holders of depositary shares representing such series of preferred stock.

### **Amendment and Termination of the Deposit Agreement**

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time be amended by agreement between Citigroup and the preferred stock depositary. However, any amendment that imposes additional charges or materially and adversely alters any substantial existing right of the holders of depositary shares will not be effective unless such amendment has been approved by the holders of at least a majority of the affected depositary shares then outstanding. Every holder of an outstanding depositary receipt at the time any such amendment becomes effective, or any transferee of such holder, shall be deemed, by continuing to hold such depositary receipt, or by reason of the acquisition thereof, to consent and agree to such amendment and to be bound by the deposit agreement, which has been amended thereby. The deposit agreement automatically terminates if:

all outstanding depositary shares have been redeemed;

each share of preferred stock has been converted into or exchanged for common stock; or

a final distribution in respect of the preferred stock has been made to the holders of depositary shares in connection with any liquidation, dissolution or winding up of Citigroup.

The deposit agreement may be terminated by Citigroup at any time and the preferred stock depositary will give notice of such termination to the record holders of all outstanding depositary receipts not less than 30 days prior to the termination date. In such event, the preferred stock depositary will deliver or make available for delivery to holders of depositary shares, upon surrender of such depositary shares, the number of whole or fractional shares of the related series of preferred stock as are represented by such depositary shares.

### **Charges of Preferred Stock Depositary; Taxes and Other Governmental Charges**

No fees, charges and expenses of the preferred stock depositary or any agent of the preferred stock depositary or of any registrar shall be payable by any person other than Citigroup, except for any taxes and other governmental charges and except as provided in the deposit agreement. If the preferred stock depositary incurs fees, charges or expenses for which it is not otherwise liable hereunder at the election of a holder of a depositary receipt or other person, such holder or other person will be liable for such fees, charges and expenses.

---

**Table of Contents**

**Resignation and Removal of Depositary**

The preferred stock depositary may resign at any time by delivering to Citigroup notice of its intent to do so, and Citigroup may at any time remove the preferred stock depositary, any such resignation or removal to take effect upon the appointment of a successor preferred stock depositary and its acceptance of such appointment. Such successor preferred stock depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000.

**Miscellaneous**

The preferred stock depositary will forward all reports and communications from Citigroup that are delivered to the preferred stock depositary and that Citigroup is required to furnish to the holders of the deposited preferred stock.

Neither the preferred stock depositary nor Citigroup will be liable if it is prevented or delayed by law or any circumstances beyond its control in performing its obligations under the deposit agreement. The obligations of Citigroup and the preferred stock depositary under the deposit agreement will be limited to performance with honest intentions of their duties thereunder and they will not be obligated to prosecute or defend any legal proceeding in respect of any depositary shares, depositary receipts or shares of preferred stock unless satisfactory indemnity is furnished. Citigroup and the preferred stock depositary may rely upon written advice of counsel or accountants, or upon information provided by holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine.

**DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS**

Citigroup may issue stock purchase contracts, including contracts obligating holders to purchase from or sell to Citigroup, and Citigroup to sell to or purchase from the holders, a specified number of shares of common stock, shares of preferred stock or depositary shares at a future date or dates. The consideration per share of common stock, preferred stock or depositary shares and the number of shares of each may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as part of units, often known as stock purchase units, consisting of a stock purchase contract and any combination of:

debt securities;

capital securities issued by trusts, all of whose common securities are owned by Citigroup or by one of its subsidiaries;

junior subordinated debt securities; or

debt obligations of third parties, including U.S. Treasury securities, which may secure the holders' obligations to purchase the common stock, preferred stock or depositary shares under the stock purchase contracts. The stock purchase contracts may require Citigroup to make periodic payments to the

holders of the stock purchase units or vice versa, and these payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

The applicable supplement will describe the terms of the stock purchase contracts and stock purchase units, including, if applicable, collateral or depositary arrangements.

**Table of Contents**

**PLAN OF DISTRIBUTION**

Citigroup may offer the offered securities in one or more of the following ways from time to time:

to or through underwriters or dealers;

by itself directly;

through agents; or

through a combination of any of these methods of sale.

Any such underwriters, dealers or agents may include any broker-dealer subsidiary of Citigroup.

The supplement relating to an offering of offered securities will set forth the terms of such offering, including:

the name or names of any underwriters, dealers or agents;

the purchase price of the offered securities and the proceeds to Citigroup from such sale;

any underwriting discounts and commissions or agency fees and other items constituting underwriters or agents' compensation;

the initial public offering price;

any discounts or concessions to be allowed or reallocated or paid to dealers; and

any securities exchanges on which such offered securities may be listed.

Any initial public offering prices, discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

If underwriters are used in an offering of offered securities, such offered securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The securities may be offered either to the public through underwriting syndicates represented by one or more managing underwriters or by one or more underwriters without a syndicate. Unless otherwise specified in connection with a particular offering of securities, the underwriters will not be obligated to purchase offered securities unless specified

conditions are satisfied, and if the underwriters do purchase any offered securities, they will purchase all offered securities.

In connection with underwritten offerings of the offered securities and in accordance with applicable law and industry practice, underwriters may over-allot or effect transactions that stabilize, maintain or otherwise affect the market price of the offered securities at levels above those that might otherwise prevail in the open market, including by entering stabilizing bids, effecting syndicate covering transactions or imposing penalty bids, each of which is described below.

A stabilizing bid means the placing of any bid, or the effecting of any purchase, for the purpose of pegging, fixing or maintaining the price of a security.

A syndicate covering transaction means the placing of any bid on behalf of the underwriting syndicate or the effecting of any purchase to reduce a short position created in connection with the offering.

A penalty bid means an arrangement that permits the managing underwriter to reclaim a selling concession from a syndicate member in connection with the offering when offered securities originally sold by the syndicate member are purchased in syndicate covering transactions.

These transactions may be effected on the NYSE, in the over-the-counter market, or otherwise. Underwriters are not required to engage in any of these activities, or to continue such activities if commenced.



## Table of Contents

If dealers are utilized in the sale of offered securities, Citigroup will sell such offered securities to the dealers as principals. The dealers may then resell such offered securities to the public at varying prices to be determined by such dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the supplement relating to that transaction.

Offered securities may be sold directly by Citigroup to one or more institutional purchasers, or through agents designated by Citigroup from time to time, at a fixed price or prices, which may be changed, or at varying prices determined at the time of sale. Any agent involved in the offer or sale of the offered securities in respect of which this prospectus is delivered will be named, and any commissions payable by Citigroup to such agent will be set forth, in the supplement relating to that offering. Unless otherwise specified in connection with a particular offering of securities, any such agent will be acting on a best efforts basis for the period of its appointment.

As one of the means of direct issuance of offered securities, Citigroup may utilize the services of an entity through which it may conduct an electronic dutch auction or similar offering of the offered securities among potential purchasers who are eligible to participate in the auction or offering of such offered securities, if so described in the applicable supplement.

If so indicated in the applicable supplement, Citigroup will authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase offered securities from Citigroup at the public offering price set forth in such supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject only to those conditions set forth in the supplement and the supplement will set forth the commission payable for solicitation of such contracts.

**Conflicts of Interest.** The broker-dealer subsidiaries of Citigroup, including Citigroup Global Markets Inc., are members of the Financial Industry Regulatory Authority, Inc. ( FINRA ) and may participate in distributions of the offered securities. Accordingly, offerings of offered securities in which Citigroup s broker-dealer subsidiaries participate will conform with the requirements addressing conflicts of interest when distributing the securities of an affiliate set forth in FINRA Rule 5121. Neither Citigroup Global Markets Inc. nor any other broker-dealer subsidiary of Citigroup will sell the offered securities to an account over which Citigroup or its subsidiaries have investment discretion unless Citigroup Global Markets Inc. or such broker-dealer subsidiary has received specific written approval of the transaction from the account holder.

This prospectus, together with any applicable supplement, may also be used by any broker-dealer subsidiary of Citigroup in connection with offers and sales of the offered securities in market-making transactions, including block positioning and block trades, at negotiated prices related to prevailing market prices at the time of sale. Any of Citigroup s broker-dealer subsidiaries may act as principal or agent in such transactions. None of Citigroup s broker-dealer subsidiaries have any obligation to make a market in any of the offered securities and may discontinue any market-making activities at any time without notice, at its sole discretion.

One or more dealers, referred to as remarketing firms, may also offer or sell the securities, if the supplement so indicates, in connection with a remarketing arrangement contemplated by the terms of the securities. Remarketing firms will act as principals for their own accounts or as agents. The supplement will identify any remarketing firm and the terms of its agreement, if any, with Citigroup and will describe the remarketing firm s compensation. Remarketing firms may be deemed to be underwriters in connection with the remarketing of the securities.

Underwriters, dealers and agents may be entitled, under agreements with Citigroup, to indemnification by Citigroup relating to material misstatements and omissions. Underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, Citigroup and affiliates of Citigroup in the ordinary course of business.

Except for securities issued upon a reopening of a previous series, each series of offered securities will be a new issue of securities and will have no established trading market. Any underwriters to whom offered securities

---

**Table of Contents**

are sold for public offering and sale may make a market in such offered securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. The offered securities may or may not be listed on a securities exchange. No assurance can be given that there will be a market for the offered securities.

**ERISA CONSIDERATIONS**

A fiduciary of a pension, profit-sharing or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ( ERISA ), should consider the fiduciary standards of ERISA in the context of the ERISA plan's particular circumstances before authorizing an investment in the offered securities of Citigroup. Among other factors, the fiduciary should consider whether such an investment is in accordance with the documents governing the ERISA plan and whether the investment is appropriate for the ERISA plan in view of its overall investment policy and diversification of its portfolio.

Certain provisions of ERISA and the Internal Revenue Code of 1986, as amended (the Code ), prohibit employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, plans described in Section 4975(e)(1) of the Code (including, without limitation, retirement accounts and Keogh Plans), and entities whose underlying assets include plan assets by reason of a plan's investment in such entities (including, without limitation, as applicable, insurance company general accounts) (collectively, plans ), from engaging in certain transactions involving plan assets with parties that are parties in interest under ERISA or disqualified persons under the Code with respect to the plan or entity. Governmental and other plans that are not subject to ERISA or to the Code may be subject to similar restrictions under state, federal, local or non-U.S. law. Any employee benefit plan or other entity, to which such provisions of ERISA, the Code or similar law apply, proposing to acquire the offered securities should consult with its legal counsel.

Citigroup has subsidiaries, including broker-dealer subsidiaries, that provide services to many employee benefit plans. Citigroup and any such direct or indirect subsidiary of Citigroup may each be considered a party in interest and a disqualified person to a large number of plans. A purchase of offered securities of Citigroup by any such plan would be likely to result in a prohibited transaction between the plan and Citigroup.

Accordingly, unless otherwise provided in connection with a particular offering of securities, offered securities may not be purchased, held or disposed of by any plan or any other person investing plan assets of any plan that is subject to the prohibited transaction rules of ERISA or Section 4975 of the Code or other similar law, unless one of the following exemptions (or a similar exemption or exception) applies to such purchase, holding and disposition:

Section 408(b)(17) of ERISA or Section 4975(d)(20) of the Code for transactions with certain service providers (the Service Provider Exemption ),

Prohibited Transaction Class Exemption ( PTCE ) 96-23 for transactions determined by in-house asset managers,

PTCE 95-60 for transactions involving insurance company general accounts,

Edgar Filing: CITIGROUP INC - Form S-3

PTCE 91-38 for transactions involving bank collective investment funds,

PTCE 90-1 for transactions involving insurance company separate accounts, or

PTCE 84-14 for transactions determined by independent qualified professional asset managers.

Unless otherwise provided in connection with a particular offering of securities, any purchaser of the offered securities or any interest therein will be deemed to have represented and warranted to Citigroup on each day

**Table of Contents**

including the date of its purchase of the offered securities through and including the date of disposition of such offered securities that either:

- (a) it is not a plan subject to Title I of ERISA or Section 4975 of the Code and is not purchasing such securities or interest therein on behalf of, or with plan assets of, any such plan;
- (b) its purchase, holding and disposition of such securities are not and will not be prohibited because they are exempted by Section 408(b)(17) of ERISA or Section 4975(d)(20) of the Code or one or more of the following prohibited transaction exemptions: PTCE 96-23, 95-60, 91-38, 90-1 or 84-14; or
- (c) it is a governmental plan (as defined in section 3 of ERISA) or other plan that is not subject to the provisions of Title I of ERISA or Section 4975 of the Code and its purchase, holding and disposition of such securities are not otherwise prohibited.

Due to the complexity of these rules and the penalties imposed upon persons involved in prohibited transactions, it is important that any person considering the purchase of the offered securities with plan assets consult with its counsel regarding the consequences under ERISA and the Code, or other similar law, of the acquisition and ownership of offered securities and the availability of exemptive relief under the class exemptions listed above.

**LEGAL MATTERS**

Barbara Politi, Assistant General Counsel – Capital Markets, or counsel to be identified in the applicable supplement, will act as legal counsel to Citigroup. Ms. Politi beneficially owns, or has rights to acquire under Citigroup’s employee benefit plans, an aggregate of less than 1% of Citigroup’s common stock. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, or other counsel identified in the applicable supplement, will act as legal counsel to the underwriters. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup and its subsidiaries and may do so in the future.

**EXPERTS**

The consolidated financial statements of Citigroup Inc. as of December 31, 2017 and 2016, and for each of the years in the three-year period ended December 31, 2017, and management’s assessment of effectiveness of internal control over financial reporting as of December 31, 2017 have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing. To the extent that KPMG LLP audits and reports on consolidated financial statements of Citigroup at future dates, and consents to the use of their reports thereon, such consolidated financial statements also will be incorporated by reference in the registration statement in reliance upon their reports and said authority.

**Table of Contents**

**The information in this prospectus supplement is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 27, 2018**

**PROSPECTUS SUPPLEMENT**

**(To prospectus dated                      , 2018)**

**Medium-Term Senior Notes, Series G**

**Medium-Term Subordinated Notes, Series G**

**General Terms of Sale**

The following terms will generally apply to the medium-term senior and subordinated notes that we will sell from time to time using this prospectus supplement, the accompanying prospectus and any applicable pricing supplement, product supplement and/or other supplement. Citigroup will include information on the specific terms for each note in a pricing supplement, product supplement and/or other supplement (each of which we refer to as a supplement ) to this prospectus supplement that Citigroup will deliver to prospective buyers of any note.

The notes will have maturities of 365 days (one year) or more from the date of issue, unless otherwise specified in the applicable supplement.

The notes may be issued as indexed notes. The payment or deliveries at maturity and/or payments of interest, if any, on indexed notes may be linked to the price or level of one or more equity securities, equity indices, commodities, commodity indices, currencies, interest rates or any other index or measure, or a basket of one or more of the foregoing, as specified in the applicable supplement.

The notes may be settled in cash or in other property, as specified in the applicable supplement.

The terms of specific notes may permit or require redemption or repurchase at our option or the option of the holder.

## Edgar Filing: CITIGROUP INC - Form S-3

The notes will be denominated in U.S. dollars, unless otherwise specified by us and described in the applicable supplement.

The notes may bear interest at a fixed or floating interest rate or may bear no interest.

The notes will not be listed on any securities exchange, unless otherwise specified in the applicable supplement.

Senior notes are part of our senior indebtedness; and subordinated notes are part of our subordinated indebtedness.

You should review Description of Debt Securities in the accompanying prospectus, Description of the Notes in this prospectus supplement and each other applicable supplement for specific terms that apply to your notes. **Investing in the notes involves risks. See Risk Factors beginning on page S-1 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement, product supplement or other supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Our affiliate, Citigroup Global Markets Inc., has agreed to use reasonable efforts to solicit offers to purchase these notes as our agent. The agent may also purchase these notes as principal at prices to be agreed upon at the time of sale. The agent may resell any notes it purchases as principal at a fixed public offering price, at prevailing market prices or at other prices, as the agent determines.

These notes are not deposits or savings accounts but are unsecured debt obligations of Citigroup Inc. These notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

**Citigroup**

, 2018

**Table of Contents**

We are responsible for the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus, any other applicable supplement and in any related free writing prospectus that we prepare or authorize. We have not authorized anyone to provide you with any other information, and we take no responsibility for any other information that others may provide you. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date of the applicable document. We are not making an offer of the notes in any jurisdiction where the offer is not permitted.

References in this prospectus supplement to Citigroup, we, our or us are to Citigroup Inc., and not any of its subsidiaries, unless the context indicates otherwise.

**TABLE OF CONTENTS****Prospectus Supplement**

	<b>Page</b>
<u>Risk Factors</u>	S-1
<u>Important Currency Information</u>	S-3
<u>Forward-Looking Statements</u>	S-4
<u>Description of the Notes</u>	S-5
<u>United States Federal Tax Considerations</u>	S-13
<u>Plan of Distribution</u>	S-24
<u>Conflicts of Interest</u>	S-25
<u>Benefit Plan Investor Considerations</u>	S-29
<u>Legal Matters</u>	S-31

**Prospectus**

<u>Prospectus Summary</u>	1
<u>Forward-Looking Statements</u>	8
<u>Risk Factor Related to Floating Rate Debt Securities</u>	8
<u>Citigroup Inc.</u>	9
<u>Use of Proceeds and Hedging</u>	12
<u>European Monetary Union</u>	14
<u>Description of Debt Securities</u>	14
<u>United States Federal Income Tax Considerations</u>	41
<u>Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency</u>	48
<u>Description of Common Stock Warrants</u>	50
<u>Description of Index Warrants</u>	52
<u>Description of Capital Stock</u>	55
<u>Description of Preferred Stock</u>	75
<u>Description of Depositary Shares</u>	77
<u>Description of Stock Purchase Contracts and Stock Purchase Units</u>	80
<u>Plan of Distribution</u>	81
<u>ERISA Considerations</u>	83
<u>Legal Matters</u>	84



Experts

84

i

Table of Contents

**RISK FACTORS**

**Risk Factors Relating to Notes Denominated in a Non-U.S. Currency**

**Changes in Exchange Rates and Exchange Controls Could Result in a Substantial Loss to You.**

An investment in foreign currency notes, which are notes denominated in a specified currency other than U.S. dollars, entails significant risks that are not associated with a similar investment in a security denominated in U.S. dollars. Similarly, an investment in an indexed note, on which all or a part of any payment due is based on one or more currencies other than U.S. dollars, has significant risks that are not associated with a similar investment in non-indexed notes. Such risks include, but are not limited to:

the possibility of significant market changes in exchange rates between U.S. dollars and the relevant currencies;

the possibility of significant changes in exchange rates between U.S. dollars and the relevant currencies resulting from official redenomination or revaluation of such specified currency; and

the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments.

Such risks generally depend on factors over which Citigroup has no 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, exchange rates between the U.S. dollar and some foreign currencies in which Citigroup's notes may be denominated, and between these foreign currencies and other foreign currencies, 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 fluctuations that may occur in the exchange rate during the term of any foreign currency note. Depreciation of the specified currency of a foreign currency note against the U.S. dollar may result in a decrease in the effective yield of such foreign currency note below its interest rate and could result in a substantial loss to the investor on a U.S. dollar basis.

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 other than U.S. dollars at the time of payment of principal of, or premium (if any) or interest on, a foreign currency note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, premium (if any) or interest or other amounts payable (if

any) denominated in any such specified currency. Similarly, in the case of indexed notes and depending on the specific terms of the notes, fluctuations of the relevant underlying currencies could result in no return or in a substantial loss to the investor.

Even if there are no actual exchange controls, it is possible that such specified currency would not be available to Citigroup when payments on a note are due because of circumstances beyond the control of Citigroup. In this event, Citigroup will make required payments in U.S. dollars on the basis described in this prospectus supplement. You should consult your own financial and legal advisors as to the risks of an investment in notes denominated in a currency other than U.S. dollars. See [The Unavailability of Currencies Could Result in a Substantial Loss to You](#) and [Description of the Notes - Payment of Principal and Interest on Non-U.S. Dollar Notes](#) below.

The information set forth in this prospectus supplement is directed to prospective purchasers of notes who are United States residents, except where otherwise expressly noted. We cannot advise prospective purchasers

**Table of Contents**

who are residents of countries other than the United States regarding any matters that may affect the purchase or holding of, or receipt of payments of principal, premium or interest on, notes. Such persons should consult their advisors with regard to these matters. Any applicable supplement relating to notes having a specified currency other than U.S. dollars will contain a description of any material exchange controls affecting such currency and any other required information concerning such currency.

**The Unavailability of Currencies Could Result in a Substantial Loss to You.**

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and such currency is

unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup's control;

no longer used by the government of the country issuing such currency; or

no longer used for the settlement of transactions by public institutions of the international banking community then all payments on such note will be made in U.S. dollars until such currency is again available or so used. The amounts so payable on any date in such currency shall be converted into U.S. dollars on the basis of the most recently available market exchange rate for such currency or as otherwise indicated in the applicable supplement. Any payment on such note made under such circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which such note was issued.

Unless otherwise specified in the applicable pricing supplement, if the specified currency of a note is officially redenominated, such as by an official redenomination of any such specified currency that is a composite currency, then the payment obligations of Citigroup on such note will be the amount of redenominated currency that represents the amount of Citigroup's obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable under such notes as a result of:

any change in the value of the specified currency of such 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 such composite currency is itself officially redenominated.

For a description of the European Monetary Union, see "European Monetary Union" in the accompanying prospectus and any disclosure on the European Monetary Union in an applicable supplement.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on notes made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable supplement.

**Judgments in a Foreign Currency Could Result in a Substantial Loss to You.**

The notes will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

**Additional risks specific to particular notes will be detailed in the applicable pricing supplement, product supplement and/or other supplement.**

S-2

**Table of Contents**

**IMPORTANT CURRENCY INFORMATION**

Purchasers are required to pay for each note in the currency specified by Citigroup for such note. If requested by a prospective purchaser of a note having a specified currency other than U.S. dollars, Citigroup's exchange rate agent may at its discretion arrange for the exchange of U.S. dollars into such specified currency to enable the purchaser to pay for such note. Each such exchange will be made by the exchange rate agent. The terms, conditions, limitations and charges that the exchange rate agent may from time to time establish in accordance with its regular foreign exchange practice shall control the exchange. The purchaser must pay all costs of exchange.

References in this prospectus supplement to U.S. dollars, U.S.\$, dollar or \$ are to the lawful currency of the United States.

S-3

**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus supplement, the accompanying prospectus and in other information incorporated by reference in this prospectus are forward-looking statements within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. Generally, forward-looking statements are not based on historical facts but instead represent only Citigroup's and its management's beliefs regarding future events. Such statements may be identified by words such as *believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, illustrate*, and similar expressions, or future or conditional verbs such as *will, should, would* and *could*.

Such statements are based on management's current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in this prospectus supplement and the accompanying prospectus, and the factors and uncertainties summarized under

Forward-Looking Statements in Citigroup's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q and the factors listed and described under Risk Factors in Citigroup's most recent Annual Report on Form 10-K. Precautionary statements included in such filings should be read in conjunction with this prospectus and the accompanying prospectus supplement.

---

**Table of Contents**

**DESCRIPTION OF THE NOTES**

*The following description of the particular terms of the Medium-Term Senior Notes, Series G and Medium-Term Subordinated Notes, Series G supplements the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus. If any specific information regarding the notes in this prospectus supplement is inconsistent with the more general terms of the debt securities described in the accompanying prospectus, you should rely on the information in this prospectus supplement.*

*The applicable pricing supplement and any applicable product supplement or other supplement (each of which we refer to as a supplement) for each offering of notes will contain the specific information and terms for that offering. If any information in the applicable supplement, including any changes in the method of calculating interest on any note, is inconsistent with this prospectus supplement, you should rely on the information in the applicable supplement. The applicable supplement may also add, update or change information contained in the accompanying prospectus and this prospectus supplement. It is important for you to consider the information contained in the accompanying prospectus, this prospectus supplement and each other applicable supplement in making your investment decision.*

**General**

The senior notes are a series of senior debt securities issued under Citigroup's senior debt indenture dated as of November 13, 2013, as supplemented. The subordinated notes are a series of subordinated debt securities issued under Citigroup's subordinated debt indenture dated as of April 12, 2001, as supplemented. You should review the accompanying prospectus for further information about Citigroup's senior and subordinated indentures. The information in this section Description of the Notes supplements, and should be read together with, the information in the section Description of Debt Securities in the accompanying prospectus. Citigroup reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement without notice.

The applicable supplement relating to a note will describe the following terms, to the extent applicable:

the specified currency for such note, if other than U.S. dollars;

the price at which such note will be issued;

the original issue date on which such note will be issued;

the date of the stated maturity;

if such note is a fixed rate note, the rate per annum at which such note will bear any interest, and whether and the manner in which such rate may be changed prior to its stated maturity;

if such note is a floating rate note, relevant terms such as:

(1) the base rate;



- (2) the initial interest rate;
- (3) the interest periods or the interest reset dates;
- (4) the interest payment dates;
- (5) any index maturity;
- (6) any maximum interest rate;
- (7) any minimum interest rate;
- (8) any spread or spread multiplier; and
- (9) any other terms relating to the particular method of calculating the interest rate for such note and whether and how any spread or spread multiplier may be changed prior to stated maturity;

S-5

**Table of Contents**

whether such note is a note issued originally at a discount;

if such note is an amortizing note, the terms for repayment prior to stated maturity;

if such note is an indexed note, in the case of an indexed rate note, the manner in which the amount of any interest payment will be determined or, in the case of an indexed principal note, its stated principal amount and the manner in which the amount payable at stated maturity will be determined;

if such note may be settled in any property or currency other than U.S. dollars, the type of such property or currency and the manner in which it will be determined;

if such note may be redeemed at the option of Citigroup, or repaid at the option of the holder, prior to stated maturity as described under **Optional Redemption, Repayment and Repurchase** below, the terms of its redemption or repayment;

if such note has an optional extension beyond its stated maturity, the terms of such optional extension;

the form of such notes, if other than a global security registered in the name of a nominee of DTC;

any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of notes;

if such note is a renewable note, the specific terms governing renewability;

the use of proceeds, if materially different than that disclosed in the accompanying prospectus; and

any other terms of such note that are not inconsistent with the provisions of the indenture under which such note will be issued.

**Indexed Notes**

Citigroup may from time to time offer indexed notes on which some or all interest payments, in the case of an indexed rate note, and/or the amount payable at stated maturity or earlier redemption or retirement, in the case of an indexed principal note, is determined based on the price or level of one or more equity securities, equity indices, commodities, commodity indices, currencies, interest rates or any other index or measure, or a basket of one or more of the foregoing, as specified in the applicable supplement (each, an **index** ). Indexed principal notes will have a stated principal amount set forth in the applicable supplement. With respect to indexed principal notes, references to the payment of **principal** in this prospectus supplement or the accompanying prospectus (other than the **stated principal amount** ) in the context of the amount payable at stated maturity or earlier redemption or repayment are to the amount

payable on such note at stated maturity or earlier redemption or repayment, as specified in the applicable supplement, other than any interest payable at such time. Such amount may be greater than, equal to or less than the stated principal amount of such note at issuance.

A description of the index used in any determination of the payment at maturity or an interest payment, and the method or formula by which such payments will be determined based on such index, will be set forth in the applicable supplement.

If a fixed rate note, floating rate note or indexed rate note is also an indexed principal note, the amount of any interest payment will be determined based on the stated principal amount of such indexed note unless specified otherwise in connection with a particular offering of notes. If an indexed rate note is also an indexed principal note, the amount payable at stated maturity or any earlier redemption or repayment of the indexed note may be different from the stated principal amount.

Unless otherwise set forth in the applicable supplement, the regular record date for any interest payment date for an indexed note will be the business day immediately preceding the relevant interest payment date.

Unless otherwise specified in connection with a particular offering of notes, for the purpose of determining whether holders of the requisite principal amount of notes outstanding under the applicable indenture have made

## **Table of Contents**

a demand or given a notice or waiver or taken any other action, the outstanding principal amount of indexed notes will be deemed to be the stated principal amount of such notes.

The interest rate on an indexed rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of the State of New York. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that have an aggregate principal amount that is less than \$2,500,000.

An investment in indexed notes has significant risks, including wide fluctuations in value prior to maturity and in the amounts of payments due, that are not associated with a similar investment in a conventional debt security. Such risks depend on a number of factors including supply and demand for the particular index (or the components of the index, as applicable) to which the note is linked and economic and political events over which Citigroup has no control. Fluctuations in the price or level of any index that have occurred in the past are not indicative of fluctuations that may occur during the term of any indexed notes.

Prospective investors should consult their own financial and legal advisors as to the risks of an investment in indexed notes.

## **Supplemental Provisions Relating to Non-U.S. Dollar Notes**

### *Public Offering Price*

The U.S. dollar equivalent of the public offering price or purchase price of a note having a specified currency other than U.S. dollars will be determined on the basis of the market exchange rate. Unless otherwise specified in connection with a particular offering of notes, this market exchange rate will be the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for such specified currency on the applicable issue date. Such determination will be made by Citigroup or its agent, as the exchange rate agent for the applicable offering of notes.

### *Payment of Principal and Interest*

The applicable supplement for a note may provide that Citigroup will make one or more payments on such note in a currency other than U.S. dollars. If the applicable supplement provides for payment in a currency other than U.S. dollars and the note is held by DTC as a global security, Citigroup will, unless otherwise specified in the applicable supplement, arrange to convert all payments in respect of the note into U.S. dollars in the manner described in the following paragraph.

Unless otherwise specified in connection with a particular offering of notes, the amount of any U.S. dollar payment on a note having a specified currency other than U.S. dollars that provides for payment in a currency other than U.S. dollars and that is held by DTC as a global security will be determined by the exchange rate agent:

based on the specified currency/U.S. dollar exchange rate prevailing at 11:00 a.m., London, England time, on the second exchange rate business day prior to the applicable payment date, or

if an exchange rate bid quotation is not so available, the exchange rate agent will obtain a bid quotation from a leading foreign exchange bank in London, England selected by the exchange rate agent after consultation with Citigroup.

The exchange rate agent will also determine prior to settlement the aggregate amount of the specified currency payable on a payment date for all notes denominated and payable in the specified currency. All currency exchange costs will be deducted from payments to the holders of the notes. If no such bid quotations are available, the payments will be made in the specified currency, unless the specified currency is unavailable due to the imposition of exchange controls or due to other circumstances beyond Citigroup's control.

S-7

---

**Table of Contents**

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and such currency is

unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup's control;

no longer used by the government of the country issuing such currency; or

no longer used for the settlement of transactions by public institutions of the international banking community then all payments on such note will be made in U.S. dollars until such currency is again available or so used. The amounts so payable on any date in such currency shall be converted into U.S. dollars on the basis of the most recently available market exchange rate for such currency or as otherwise indicated in the applicable supplement. Any payment on such note made under such circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which such note was issued.

If the specified currency of a note is officially redenominated, other than as a result of the European Monetary Union, such as by an official redenomination of any such specified currency that is a composite currency, then the payment obligations of Citigroup on such note will be the amount of redenominated currency that represents the amount of Citigroup's obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable under such notes as a result of:

any change in the value of the specified currency of such 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 such composite currency is itself officially redenominated.

For a description of the European Monetary Union, see "European Monetary Union" in the accompanying prospectus and any disclosure on the European Monetary Union in an applicable supplement.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on notes made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable supplement.

Each note that has a specified currency of pounds sterling will mature in compliance with the regulations the Bank of England may promulgate from time to time.

*Alternative Book-Entry Procedures and Settlement*

If Citigroup issues notes which provide for one or more payments to be made in a non-U.S. currency, the applicable supplement may specify that such notes will be cleared through Euroclear Bank S.A./N.V. ("Euroclear") and

Clearstream Banking, société anonyme, Luxembourg ( Clearstream ), rather than through DTC. Such notes may be issued either under the New Safekeeping Structure (the NSS ) or the Classic Safekeeping Structure (the CSS ). Notes issued under the NSS will be registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream. Notes issued under the CSS will be registered in the name of a nominee of a common depositary. Such common safekeeper or common depositary, as applicable, will be the depositary for such notes. The European Central Bank has announced that notes issued under the NSS will be in compliance with the Standards for the use of EU securities settlement systems in ESCB credit operations of the Eurosystem, provided that certain other criteria are fulfilled. If such other eligibility criteria are fulfilled, notes issued under the NSS will be eligible to be pledged as collateral in Eurosystem operations ( Eurosystem eligible ). Notes issued under the CSS will not be Eurosystem eligible.

**Table of Contents**

**Supplemental Provisions Relating to Floating Rate Notes**

Each floating rate note will bear interest at the interest rate set forth, or otherwise described, in the applicable supplement. An interest period is the period from each interest reset date to, but not including, the following interest reset date; provided that the initial interest period is the period from the original issue date to, but not including, the first interest reset date. Unless otherwise specified in the applicable supplement, each interest payment date for a floating rate note will be an interest reset date for that note.

The interest rate for each floating rate note will be determined based on a simple per annum, interest rate basis and will be equal to, the base rate, plus or minus any spread, or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points specified in the applicable supplement. The spread multiplier is the percentage specified in the applicable supplement and the spread multiplier on floating rate notes may be adjusted from time to time.

As specified in the applicable supplement, a floating rate note may have either or both of the following, which will be expressed as a rate per annum on a simple interest rate basis:

maximum interest rate, which will be a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period; and/or

minimum interest rate, which will be a minimum limitation, or floor, on the rate at which interest may accrue during any interest period.

In addition to any maximum interest rate that may be applicable to any floating rate note, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of the State of New York. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that have an aggregate principal amount that is less than \$2,500,000.

The interest rate on each floating rate note will be reset on an interest reset date, which means that the interest rate is reset daily, weekly, monthly, quarterly, semiannually or annually, as specified in the applicable supplement.

Unless otherwise specified in the applicable supplement:

if an interest reset date for any floating rate note would fall on a day that is not a business day, such interest reset date will be postponed to the next succeeding business day.

in the case of a LIBOR note or a EURIBOR note, if postponement to the next business day would cause the interest reset date to be in the next succeeding calendar month, the interest reset date will instead be the immediately preceding business day.



if an auction of direct obligations of United States Treasury bills falls on a day that is an interest reset date for Treasury Rate notes, the interest reset date will be the succeeding business day.

Unless otherwise specified in the applicable supplement and except as set forth below, the rate of interest that goes into effect on any interest reset date will be determined on an interest determination date preceding such interest reset date, as further described in the applicable supplement.

Unless otherwise specified in the applicable supplement, interest payable on floating rate notes will be the interest accrued from and including the original issue date or the last date to which interest has been paid, as the case may be, to but excluding the applicable interest payment date.

Accrued interest on a floating rate note with more than one interest reset date will be calculated by multiplying the principal amount of the note by an accrued interest factor. If the floating rate note is an indexed

## **Table of Contents**

note, the stated principal amount of the note will be multiplied by the accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor for each such day will be computed by dividing the interest rate in effect on such day by the number of days specified in the applicable pricing supplement. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any interest reset date will be the applicable rate as reset on such date.

For all other floating rate notes, accrued interest will be calculated by multiplying the principal amount of the note by the interest rate in effect during the period for which accrued interest is being calculated. That product is then multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by the number of days specified in the applicable pricing supplement.

Upon the request of the holder of any floating rate note, the calculation agent for such note will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date for such floating rate note.

## **No Securities Exchange Listing**

Unless otherwise specified in connection with a particular offering of debt securities, the notes will not be listed on any securities exchange. The section of the accompanying prospectus entitled Description of Debt Securities Listing and other references to debt securities listed on the Luxembourg Stock Exchange in the accompanying prospectus do not apply to the notes, unless otherwise specified in the applicable supplement.

## **No Payment of Additional Amounts or Redemption for Tax Purposes**

Unless otherwise specified in the applicable supplement, Citigroup will not be obligated to pay additional amounts to the beneficial owner of any notes that is a non-United States person, as described in the accompanying prospectus under Description of Debt Securities Payment of Additional Amounts. Additionally, Citigroup will not have the right to redeem a series of notes for tax purposes as described in the accompanying prospectus under Description of Debt Securities Redemption for Tax Purposes, unless otherwise specified in the applicable supplement.

## **Combination of Provisions**

If so specified in the applicable supplement, any note may be required to comply with all of the provisions, or any combination of the provisions, described herein or in the accompanying prospectus.

## **Optional Redemption, Repayment and Repurchase**

If so specified in the applicable supplement relating to a note, such note can be redeemed, with prior approval of the Federal Reserve if required, at the option of Citigroup, in whole or in part, prior to its stated maturity. If applicable, such supplement will also indicate (1) the optional redemption date or dates on which such note may be redeemed and (2) the redemption price at which such note may be redeemed on each such optional redemption date.

Unless otherwise specified in connection with a particular offering of notes, at least 35 days prior to the date of redemption, Citigroup will provide notice of such redemption to the trustee, and we or the trustee (at our request) will provide notice of such redemption to the holder of such note (which shall be the depositary for so long as the notes are held in book-entry form) in accordance with Description of Debt Securities Book Entry Procedures and Settlement Notices in the accompanying prospectus. Unless otherwise specified in connection with a particular

offering of notes, Citigroup may exercise such option relating to a redemption of a

S-10

---

**Table of Contents**

note in part only by notifying the trustee for such note at least 35 days prior to any optional redemption date. In the event of redemption of a note in part only, a new note or notes for the unredeemed portion of such note or notes will be issued to the holder of such note or notes upon the cancellation of such note or notes. The redemption of any debt security that is included in Citigroup's capital and total loss-absorbing capacity may be subject to consultation with the Federal Reserve, which may not acquiesce in the redemption of such note unless it is satisfied that the capital position and total loss-absorbing capacity of Citigroup will be adequate after the proposed redemption.

If so specified in the applicable supplement relating to a note, the holder of such note will have the option to elect repayment of such note by Citigroup prior to its stated maturity. If applicable, such supplement will specify (1) the optional repayment date or dates on which such note may be repaid and (2) the optional repayment price at which such note may be repaid on each such optional repayment date.

Subject to the terms set forth in the applicable supplement, in order for a note to be repaid, the trustee must receive, at least 35 days prior to an optional repayment date:

- (1) such note with the form entitled "Option to Elect Repayment" on the reverse of such note duly completed; or
- (2) a telegram, telex, facsimile transmission, electronic mail correspondence or letter from a member of a national securities exchange or the Financial Industry Regulatory Authority, Inc. or a commercial bank or trust company in the United States setting forth:

the name of the holder of such note;

the principal amount of such note to be repaid;

the certificate number or a description of the tenor and terms of such note; and

a statement that the option to elect repayment is being exercised.

Any tender of a note by the holder for repayment, except pursuant to a reset notice or an extension notice, will be irrevocable. The repayment option may be exercised by the holder of a note for less than the entire principal amount of such note, provided, that the stated principal amount of such note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, such note will be canceled and a new note or notes for the remaining stated principal amount will be issued in the name of the holder of such repaid note.

If a note is represented by a global security, the depositary's nominee will be the holder of such note and, therefore, will be the only entity that can exercise a right to repayment. In order to ensure that the depositary's nominee will timely exercise a right to repayment relating to a particular note, the beneficial owner of such note must instruct the broker or other direct or indirect participant through which it holds an interest in such note to notify the depositary of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a note in order to ascertain the cut-off time by which such an instruction must be

given in order for timely notice to be delivered to the depository.

Except in the case of an optional redemption by Citigroup at a stated redemption price provided for in the applicable supplement, if Citigroup redeems or repays a note that is an OID note other than an indexed note prior to its stated maturity, then Citigroup will pay the amortized principal amount of the note as of the date of redemption or repayment regardless of anything else stated in this prospectus supplement or the accompanying prospectus.

The amortized principal amount of a note on any date means the amount equal to:

the issue price set forth in the applicable supplement plus

S-11

**Table of Contents**

that portion of the difference between the issue price and the principal amount of the note that has accrued by that date at

- (1) the bond yield to maturity set forth in the applicable supplement, or
- (2) if so specified in the applicable supplement, the bond yield to call set forth therein.

These computations will be made in accordance with generally accepted United States bond yield computation principles. However, the amortized principal amount of a note will never exceed its principal amount. The bond yield to call listed in an applicable supplement will be computed on the basis of:

the first occurring optional redemption date with respect to such note; and

the amount payable on such optional redemption date.

In the event that any such note is not redeemed on such first occurring optional redemption date, the bond yield to call that applies to such note will be recomputed on such optional redemption date on the basis of (1) the next occurring optional redemption date and (2) the amount payable on such optional redemption date. The bond yield to call will continue to be so recomputed on each succeeding optional redemption date until the note is so redeemed.

Citigroup or any of its subsidiaries may at any time purchase notes at any price in the open market or otherwise. Notes so purchased by Citigroup or any of its subsidiaries may, at the discretion of Citigroup, be held, resold or surrendered to the trustee for such notes for cancellation.

**Other Provisions**

The terms in the applicable supplement may set forth and/or modify any provisions relating to:

the determination of an interest rate basis;

the specification of an interest rate basis;

calculation of the interest rate applicable to, or the amount payable at maturity on, any note;

interest payment dates; or

any other matters.

**Defeasance**

The defeasance provisions described in Description of Debt Securities Defeasance in the accompanying prospectus will not apply to the notes, unless otherwise specified in the applicable supplement.



---

**Table of Contents**

**UNITED STATES FEDERAL TAX CONSIDERATIONS**

The following is a discussion of the material U.S. federal income and certain estate tax consequences of the ownership and disposition of the notes. It applies to you only if you hold the notes as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code). It does not address all of the tax consequences that may be relevant to you in light of your particular circumstances or if you are a holder subject to special rules, such as:

a financial institution;

a regulated investment company ;

a tax-exempt entity, including an individual retirement account or Roth IRA ;

a dealer or trader subject to a mark-to-market method of tax accounting with respect to the notes;

a person holding a note as part of a straddle or conversion transaction or one who enters into a constructive sale with respect to a note;

a person subject to the alternative minimum tax;

a U.S. Holder (as defined below) whose functional currency is not the U.S. dollar; or

an entity classified as a partnership for U.S. federal income tax purposes.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds the notes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partnership holding the notes or a partner in such a partnership, you should consult your tax adviser as to the particular U.S. federal tax consequences of holding and disposing of the notes to you.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not address the effects of any applicable state, local or non-U.S. tax laws or the potential application of the Medicare contribution tax. You should consult your tax adviser about the application of the U.S. federal income and estate tax laws to your particular situation (including the possibility of alternative treatments of the notes), as well as any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction.

**Tax Treatment of the Notes**



## Edgar Filing: CITIGROUP INC - Form S-3

This discussion applies to notes that we treat as debt instruments for U.S. federal income tax purposes. The U.S. federal income tax treatment of other notes will be addressed in the applicable supplement.

With respect to notes with a term of longer than one year (calculated as described below), the applicable supplement will specify whether we intend to treat these notes as variable rate debt instruments or as contingent payment debt instruments for U.S. federal income tax purposes.

This discussion assumes that the notes do not provide for payments determined by reference to equity securities. The treatment of such notes will be addressed in the applicable supplement.

This disclosure generally applies to notes that provide for payments solely in cash. Special tax consequences may apply to notes that provide for one or more payments in property other than cash, and those consequences will be addressed in the applicable supplement.

The discussion herein is subject to, and should be read in conjunction with, any discussion contained in the applicable supplement.

S-13

**Table of Contents****Tax Consequences to U.S. Holders**

This section applies only to U.S. Holders. You are a U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of the notes that is:

a citizen or individual resident of the United States;

a corporation created or organized in or under the laws of the United States, any state therein or the District of Columbia; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source. Legislation enacted in 2017 modified the rules regarding the timing of income to be recognized by accrual method taxpayers. Under this legislation, if you are an accrual method taxpayer, notwithstanding the discussion below, you may be required to include original issue discount and other income on a note no later than the relevant item is taken into account as revenue in an applicable financial statement. You should consult your tax adviser concerning the application of these rules in your particular situation.

***Payments of Interest***

Qualified stated interest (as described below under Original Issue Discount ) on a note generally will be taxable to you as ordinary interest income at the time it accrues or is received in accordance with your method of accounting for U.S. federal income tax purposes.

Special rules governing the treatment of interest income on certain categories of notes are described below under Original Issue Discount, Short-Term Notes, Notes Treated as Variable Rate Debt Instruments, Notes Treated as Contingent Payment Debt Instruments, and Foreign Currency Notes.

***Original Issue Discount***

A note that has an issue price that is less than its stated redemption price at maturity will be considered to have been issued with original issue discount (OID) for U.S. federal income tax purposes (an OID note) unless the note satisfies a *de minimis* threshold under applicable Treasury regulations. Special rules governing the tax treatment of short-term notes and contingent payment debt instruments (which are not OID notes for purposes of this discussion) are described below under Short-Term Notes, and Notes Treated as Contingent Payment Debt Instruments, respectively. The amount of OID will be equal to the excess of the stated redemption price at maturity over the issue price. The issue price of a note will be the first price at which a substantial amount of the notes in an issue is sold to the public (not including sales 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 generally will equal the sum of all payments required under the note other than payments of qualified stated interest. Qualified stated interest (QSI) generally includes stated interest unconditionally payable (other than in debt instruments of the issuer) at least annually at a single fixed rate, and also includes stated interest on certain floating-rate notes (as described under Notes Treated as Variable Rate Debt Instruments below). If a note provides for more than one fixed rate of stated interest, interest payable at the lowest stated rate generally is QSI, with any excess included in the stated redemption price at maturity for purposes of determining whether the note was issued with OID.

If the difference between a note's stated redemption price at maturity and its issue price is less than a *de minimis* amount as determined under applicable Treasury regulations, the note will not be treated as issued with OID and therefore will not be subject to the rules described below. If you hold notes with less than a *de minimis* amount of OID, (i) all stated interest on the notes will generally be treated as QSI and (ii) you generally will include any remaining discount in income, as capital gain, on a pro rata basis as principal payments are made on the note.

---

**Table of Contents**

If you hold OID notes, you will be required to include any QSI in income when received or accrued, in accordance with your method of accounting for U.S. federal income tax purposes. In addition, you will be required to include OID in income as it accrues, in accordance with a constant-yield method based on a compounding of interest, regardless of your method of tax accounting.

You may make an election to include in gross income all interest that accrues on any note (including stated interest, OID, *de minimis* OID, market discount and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium, as described below) in accordance with the constant-yield method based on the compounding of interest (a constant-yield election). This election may be revoked only with the consent of the Internal Revenue Service (the IRS).

A note that is subject to early redemption may be governed by rules that differ from the general rules described above for purposes of determining its yield and maturity (which may affect whether the note is treated as issued with OID and, if so, the timing of accrual of the OID). Under applicable Treasury regulations, we will generally be presumed to exercise an option to redeem a note if the exercise of the option would lower the yield on the note. Conversely, you will generally be presumed to exercise an option to require us to repurchase a note if the exercise of the option would increase the yield on the note. If such an option were not in fact exercised, the note would be treated, solely for purposes of calculating OID, as if it were redeemed and a new note were issued on the presumed exercise date for an amount equal to the note's adjusted issue price on that date. If such a deemed reissuance occurs when the remaining term of the notes is one year or less, it is possible that the note would thereafter be treated as a short-term debt instrument. See Short-Term Notes below. A note's adjusted issue price is its issue price increased by the amount of previously includable OID and decreased by the amount of any prior payments on the note that do not constitute QSI.

***Market Discount***

If you purchase a note (other than a short-term note or contingent payment debt instrument) for an amount that is less than its stated redemption price at maturity or, in the case of an OID note, its adjusted issue price, the amount of the difference will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified *de minimis* amount.

If a note has market discount, you will be required to treat any principal payment (or, in the case of an OID note, any payment that does not constitute QSI) on, or any gain on a sale or other taxable disposition of, a note as ordinary income to the extent of the market discount accrued on the note at that time, unless this market discount has been previously included in income pursuant to an election to include market discount in income as it accrues (a market discount accrual election), or pursuant to the constant-yield election described under Original Issue Discount above. If you dispose of a note in one of certain nontaxable transactions, accrued market discount will be includible as ordinary income as if you had sold the note in a taxable transaction at its then fair market value. Unless you make a market discount accrual election, you generally will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry the notes in an amount not exceeding the accrued market discount until the accrued market discount is included in income.

If you make a market discount accrual election, that election will apply to all market discount bonds acquired by you on or after the first day of the first taxable year to which that election applies. If you make a constant-yield election (as described under Original Issue Discount above) with respect to a market discount note, that election will result in a deemed market discount accrual election for the taxable year in which you acquired the note and all succeeding years.

***Acquisition Premium and Amortizable Bond Premium***

If you purchase an OID note for an amount that is greater than the note's adjusted issue price but less than or equal to the sum of all amounts payable on the note after the purchase date, other than payments of QSI, you will

S-15

**Table of Contents**

be considered to have purchased the note with acquisition premium. Under the acquisition premium rules, the amount of OID that you must include in your gross income with respect to the note for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

If you purchase a note (other than a contingent payment debt instrument) for an amount that is greater than the sum of all amounts payable on the note after the purchase date, other than payments of QSI, you generally will be considered to have purchased the note with amortizable bond premium equal to such excess. If the note is not optionally redeemable prior to its maturity date, you generally may elect to amortize this premium over the remaining term of the note using a constant-yield method. If, however, the note may be optionally redeemed prior to maturity after you have acquired it, the amount of amortizable bond premium is generally determined by substituting the redemption date for the maturity date and the redemption price for the amount payable at maturity but only if the substitution results in a smaller amount of premium attributable to the period before the redemption date. You may generally use the amortizable bond premium allocable to an accrual period to offset QSI required to be included in your income with respect to the note in that accrual period. In addition, if you have purchased an OID note with amortizable bond premium, you will not be required to accrue any OID on such note. If you elect to amortize bond premium, you must reduce your tax basis in the note by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt instruments then owned or thereafter acquired and may be revoked only with the consent of the IRS.

If you make a constant-yield election (as described under **Original Issue Discount** above) for a note with amortizable bond premium, that election will result in a deemed election to amortize bond premium for all of your debt instruments with amortizable bond premium.

***Sale or Other Taxable Disposition of a Note***

Upon a sale or other taxable disposition of a note, you will recognize taxable gain or loss equal to the difference between the amount realized and your tax basis in the note. For this purpose, the amount realized does not include any amount attributable to accrued but unpaid QSI, which will be treated as a payment of interest and taxed as described under **Payments of Interest** above. Your tax basis in a note will equal its cost, increased by the amounts of any OID and market discount you have previously accrued with respect to the note, if any, and decreased by any amortized premium and any principal payments you received prior to the sale or other taxable disposition of a note and by the amount of any other payments on the note that do not constitute QSI.

Gain or loss realized upon the sale or other taxable disposition of a note will be capital gain or loss and will be long-term capital gain or loss if you have held the note for more than one year. The deductibility of capital losses is subject to limitations. Exceptions to these general rules apply to short-term notes, notes with market discount, contingent payment debt instruments and foreign currency notes. See **Market Discount** above, and **Short-Term Notes** and **Notes Treated as Contingent Payment Debt Instruments** and **Foreign Currency Notes** below.

***Short-Term Notes***

The following discussion applies only to short-term notes, *i.e.*, notes with a term of one year or less (from but excluding the issue date to and including the last possible date that the notes could be outstanding pursuant to their terms). Generally, a short-term note is treated as issued at a discount equal to the sum of all payments required on the note minus its issue price.

If you are a cash-method U.S. Holder, you generally will not be required to recognize income with respect to a short-term note prior to maturity, other than with respect to the receipt of interest payments, if any, or pursuant to a

sale or other taxable disposition of the note. If you are an accrual-method U.S. Holder (or a cash-method U.S. Holder who elects to accrue income on the note currently), you will be subject to rules that generally require accrual of discount on short-term notes on a straight-line basis, unless you elect a constant-yield

**Table of Contents**

method of accrual based on daily compounding. It is not clear whether or how any accrual should be determined prior to the relevant determination date(s) in respect of a contingent payment. You should consult your tax adviser regarding the amount and timing of any accruals on such notes.

Upon a sale or other taxable disposition of a short-term note, you will recognize gain or loss equal to the difference between the amount received and your tax basis in the note. Your tax basis in the note should equal the amount you paid to acquire the note increased, if you accrue income on the notes currently, by any previously accrued but unpaid discount. The amount of any resulting loss generally will be treated as a short-term capital loss, the deductibility of which is subject to limitations. The excess of the amount received at maturity over your tax basis in the note generally should be treated as ordinary income. If you sell a short-term note providing for a contingent return at maturity prior to the time the contingent return has been fixed, it is not clear whether any gain you recognize should be treated as ordinary income, short-term capital gain, or a combination of ordinary income and short-term capital gain. You should consult your tax adviser regarding the treatment of short-term notes providing for contingent payments.

If you are a cash-method U.S. Holder, unless you make the election to accrue income currently on a short-term note, you generally will be required to defer deductions for interest paid on indebtedness incurred to purchase or carry the note in an amount not exceeding the accrued discount that you have not included in income. As discussed above, it is unclear whether or how accrual of discount should be determined prior to the relevant determination date(s) in respect of a contingent payment. If you make the election to accrue income currently, that election will apply to all short-term notes acquired by you on or after the first day of the first taxable year to which that election applies. You should consult your tax adviser regarding these rules.

***Notes Treated as Variable Rate Debt Instruments***

The following discussion applies only to floating-rate notes that are treated as variable rate debt instruments for U.S. federal income tax purposes ( VRDIs ).

*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 QSI and will be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of tax accounting. If the stated principal amount of a Single Rate VRDI exceeds its issue price by at least a specified *de minimis* amount, this excess will be treated as OID that you must include in income as it accrues in accordance with a constant-yield method based on compounding of interest before the receipt of cash payments attributable to this income (as described above under Original Issue Discount ). If a VRDI 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 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%), the two rates will be treated for purposes of this and the next paragraph as a single variable rate.

*Interest on VRDIs That Provide for Multiple Rates.* We will refer to VRDIs that provide for (i) multiple variable rates or (ii) one or more variable rates and a single fixed rate as Multiple Rate VRDIs. Under applicable Treasury regulations, in order to determine the amount of QSI and OID in respect of Multiple Rate VRDIs, an equivalent fixed-rate debt instrument must be constructed. The equivalent fixed-rate debt instrument is constructed in the following manner: (i) first, 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) second, each variable rate (including a variable rate determined under (i) above) is converted to a fixed rate substitute (which will generally 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 and the timing of accrual of any OID. You will be required to include the OID in income for 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

S-17

---

**Table of Contents**

Discount. QSI on a Multiple Rate VRDI will generally be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of tax accounting. If a Multiple Rate VRDI is not issued with OID, all stated interest on the Multiple Rate VRDI will be treated as QSI.

If the amount of interest you receive in a calendar year is greater than the interest assumed to be paid or accrued under the equivalent fixed-rate debt instrument, the excess is generally treated as additional QSI taxable to you as ordinary income. Otherwise, any difference will generally reduce the amount of QSI you are treated as receiving and will therefore reduce the amount of ordinary income you are required to take into income.

*Sale or Other Taxable Disposition of a VRDI.* Upon the sale or other taxable disposition of a VRDI, you generally will recognize capital gain or loss equal to the difference between the amount realized (other than amounts attributable to accrued but unpaid QSI, which will be treated as a payment of interest) and your tax basis in the VRDI. Your tax basis in a VRDI will equal the amount you paid to purchase the VRDI, increased by the amounts of OID (if any) you previously included in income with respect to the VRDI, and reduced by any payments other than QSI you received and any amortized premium. Subject to the discussion under Market Discount, your gain or loss generally will be long-term capital gain or loss if you held the VRDI for more than one year at the time of disposition.

***Notes Treated as Contingent Payment Debt Instruments***

The following discussion applies only to notes that are treated as contingent payment debt instruments for U.S. federal income tax purposes ( CPDIs ).

*Interest Accruals on the CPDIs.* We are required to determine a comparable yield for each issuance of CPDIs. The comparable yield is the yield at which we could issue a fixed-rate debt instrument with terms similar to those of the CPDIs, including the level of subordination, term, timing of payments and general market conditions, but excluding any adjustments for the riskiness of the contingencies or the liquidity of the CPDIs. Solely for purposes of determining the amount of interest income that you will be required to accrue, we are also required to construct a projected payment schedule in respect of the CPDIs representing a payment or a series of payments the amount and timing of which would produce a yield to maturity on the CPDIs equal to the comparable yield.

**Neither the comparable yield nor the projected payment schedule constitutes a representation by us regarding the actual amounts that we will pay on the CPDIs.**

For U.S. federal income tax purposes, you are required to use our determination of the comparable yield and projected payment schedule in determining interest accruals and adjustments in respect of the CPDIs, unless you timely disclose and justify the use of other estimates to the IRS. Regardless of your method of accounting for U.S. federal income tax purposes, you will be required to accrue as interest income OID on the CPDIs at the comparable yield, adjusted upward or downward to reflect the difference, if any, between the actual and the projected payments on the CPDIs during the year (as described below).

You will be required for U.S. federal income tax purposes to accrue an amount of OID, for each accrual period prior to and including the maturity (or earlier sale, exchange or retirement) of a CPDI, that equals the product of (i) the adjusted issue price of the CPDI (as defined below) as of the beginning of the accrual period, (ii) the comparable yield of the CPDI, adjusted for the length of the accrual period and (iii) the number of days during the accrual period that you held the CPDI divided by the number of days in the accrual period. For U.S. federal income tax purposes, the adjusted issue price of a CPDI is its issue price increased by any interest income you have previously accrued (determined without regard to adjustments due to differences between projected and actual payments) and decreased by the projected amounts of any payments previously made on the CPDI (without regard to actual amounts paid).



---

**Table of Contents**

*Adjustments to Interest Accruals on the CPDIs.* In addition to interest accrued based upon the comparable yield as described above, you will be required to recognize interest income equal to the amount of any net positive adjustment (*i.e.*, the excess of actual payments over projected payments) in respect of a CPDI for a taxable year. A net negative adjustment (*i.e.*, the excess of projected payments over actual payments) in respect of a CPDI for a taxable year:

will first reduce the amount of interest in respect of the CPDI that you would otherwise be required to include in income in the taxable year; and

to the extent of any excess, will give rise to an ordinary loss, but only to the extent that the amount of all previous interest inclusions under the CPDI exceeds the total amount of the net negative adjustments treated as ordinary loss on the CPDI in prior taxable years.

A net negative adjustment is not treated as a non-deductible miscellaneous itemized deduction under Section 67 of the Code. Any net negative adjustment in excess of the amounts described above may be carried forward to offset future interest income in respect of the CPDI or to reduce the amount realized on a sale, exchange or retirement of the CPDI.

*Purchase of CPDIs at a Price Other than the Adjusted Issue Price.* If you purchase a CPDI for an amount that differs from its adjusted issue price, the general rules discussed above under *Market Discount* and *Acquisition Premium and Amortizable Bond Premium* will not apply. Instead, you must reasonably determine the extent to which the difference between the price you paid for the CPDI and its adjusted issue price is attributable to a change in expectations as to the projected payment schedule, a change in interest rates, or both, and allocate the difference accordingly. If you purchase a CPDI for an amount that is less than its adjusted issue price, you must (i) make positive adjustments increasing the amount of interest you would otherwise accrue and include in income each year to the extent of amounts allocated to a change in interest rates as described above and/or (ii) make positive adjustments increasing the amount of ordinary income (or decreasing the amount of ordinary loss) that you would otherwise recognize upon the date of a projected payment to the extent of amounts allocated to a change in expectations as to the amount of that projected payment as described above. If you purchase a CPDI for an amount that is greater than its adjusted issue price, you must (i) make negative adjustments decreasing the amount of interest that you would otherwise accrue and include in income each year to the extent of amounts allocated to a change in interest rates as described above and/or (ii) make negative adjustments decreasing the amount of ordinary income (or increasing the amount of ordinary loss) that you would otherwise recognize upon the date of a projected payment to the extent of amounts allocated to a change in expectations as to the amount of that projected payment as described above. Adjustments allocated to the interest amount are made on the date the daily portion of interest accrues.

*Sale or Other Taxable Disposition of the CPDIs.* Upon a sale or other taxable disposition of a CPDI, you generally will recognize taxable income or loss equal to the difference between the proceeds received and your tax basis in the CPDI. Your tax basis in the CPDI will equal your purchase price for the CPDI, increased by any interest income you have previously accrued (determined with regard to any adjustments made because you purchased the CPDI at more or less than its adjusted issue price but without regard to adjustments due to differences between projected and actual payments) and decreased by the projected amounts of any payments previously made on the CPDI (without regard to actual amounts paid). At maturity, you will be treated as receiving the projected amount for that date (reduced by any carryforward of a net negative adjustment), and any difference between the amount actually received and that projected amount will be treated as a positive or negative adjustment governed by the rules described above under

*Adjustments to Interest Accruals on the CPDIs.* You generally must treat any income 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. These ordinary losses are not treated

as non-deductible miscellaneous itemized deductions under Section 67 of the Code. The deductibility of capital losses, however, is subject to limitations. Additionally, if you recognize a loss above certain thresholds, you may be required to file a disclosure statement with the IRS. You should consult your tax adviser regarding this reporting obligation.

---

**Table of Contents**

*Special Rules Relating to Fixing of Payments.* Special rules may apply if all the remaining payments on a CPDI become fixed substantially contemporaneously. For this purpose, payments will be treated as fixed if the remaining contingencies with respect to them are remote or incidental. Under these rules, you would be required to account for the difference between the originally projected payments and the fixed payments in a reasonable manner over the period to which the difference relates. In addition, you would be required to make adjustments to, among other things, your accrual periods and your tax basis in the CPDI. The character of any gain or loss on a sale or exchange of your CPDI also might be affected. If one or more (but not all) contingent payments on a CPDI became fixed more than six months prior to the relevant payment date(s), you would be required to account for the difference between the originally projected payment(s) and the fixed payment(s) on a present value basis. You should consult your tax adviser regarding the application of these rules.

***Foreign Currency Notes***

*General.* The following discussion describes certain special rules applicable to you if you hold notes that are denominated in a single specified currency other than the U.S. dollar or the payments of interest and principal on which are payable in (or determined by reference to) a single specified currency other than the U.S. dollar, which we refer to as foreign currency notes. This discussion does not address currency-linked notes or foreign currency notes that provide for contingent payments or payments in or by reference to multiple currencies, which will be discussed in the applicable supplement.

The rules applicable to notes that are denominated in a currency other than the U.S. dollar could require some or all of the gain or loss realized upon a sale or other taxable disposition of the notes that is attributable to fluctuations in currency exchange rates ( foreign currency gain or loss ) to be treated as ordinary income or loss. The rules applicable to foreign currency notes are complex, and their application may depend on your particular U.S. federal income tax situation. For example, various elections are available under these rules, and whether you should make any of these elections may depend on your particular U.S. federal income tax situation. You should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of foreign currency notes.

*Payments of Interest on Foreign Currency Notes.* If you use the cash method of accounting for U.S. federal income tax purposes and receive a payment of QSI (or proceeds from a sale or other taxable disposition attributable to accrued QSI) in a foreign currency with respect to a foreign currency note, you will be required to include in income the U.S. dollar value of the foreign currency payment (determined based on a spot rate on the date the payment is received) regardless of whether the payment is in fact converted to U.S. dollars at that time, and this U.S. dollar value will be your tax basis in the foreign currency received. If you are a cash method holder and you receive a payment of QSI in U.S. dollars, you should include the amount of this payment in income upon receipt. If you are a cash method holder and you are required to accrue OID on a foreign currency note, rules similar to the rules described in the following paragraph will apply with respect to the OID.

If you use the accrual method of accounting for U.S. federal income tax purposes, you will be required to include in income the U.S. dollar value of the amount of interest income (including OID, but reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency note during an accrual period. The U.S. dollar value of the accrued income will be determined by translating the income at an average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. In addition to the interest income accrued as described above, you will recognize foreign currency gain or loss as ordinary income or loss (which will not be treated as interest income or expense) with respect to accrued interest income on the date the interest payment or proceeds from the sale, exchange or other disposition attributable to accrued interest (or OID) is actually received. The amount of foreign currency gain or loss recognized will equal the difference between the U.S.

dollar value of the foreign currency payment received (determined based on a spot rate on the date the payment is received) in respect of the accrual period (or, where you receive U.S. dollars, the amount of the payment in respect of the accrual period) and the U.S. dollar value of

S-20

---

**Table of Contents**

interest income that has accrued during the accrual period (as determined above). You may elect to translate interest income (including OID) for an interest accrual period into U.S. dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, the last day of the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, the spot rate on the date of receipt. You must apply this election consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

*Amortizable Bond Premium and Market Discount on Foreign Currency Notes.* Amortizable bond premium and market discount (each as defined above) on a foreign currency note are determined in the relevant foreign currency. In general, accrued market discount is translated into U.S. dollars at the spot rate on the date of disposition of the foreign currency note. However, if you elect to include market discount in income currently, the amount of market discount will be determined for any accrual period in the relevant foreign currency and then translated into U.S. dollars on the basis of the average exchange rate during the accrual period. In that event, in addition to the income accrued as described above, you will recognize foreign currency gain or loss in accordance with the rules relating to accrued interest described in the paragraph immediately above.

If you elect to amortize bond premium, amortizable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. You will realize foreign currency gain or loss with respect to amortized bond premium with respect to any period by treating that amortized bond premium in the same manner as a return of principal on the sale or other taxable disposition of a foreign currency note (as discussed below). Any foreign currency gain or loss will be ordinary income or loss, as described below. If the election is not made, any loss realized on the sale, exchange or retirement of a foreign currency note will be capital loss to the extent of the bond premium.

*Tax Basis in Foreign Currency Notes.* Your tax basis in a foreign currency note, or the amount of any subsequent adjustment to your tax basis, will be the U.S. dollar value of the foreign currency amount paid for the note, or of the foreign currency amount of the adjustment, determined on the date of the purchase or adjustment. If you purchase a foreign currency note with previously owned foreign currency, you will recognize ordinary income or loss in an amount equal to the difference, if any, between your tax basis in the foreign currency and the U.S. dollar fair market value of the foreign currency note on the date of purchase.

*Sale or Other Taxable Disposition of Foreign Currency Notes.* Foreign currency gain or loss recognized upon the sale or other taxable disposition of a foreign currency note will be ordinary income or loss that is not treated as interest income or expense. The amount of foreign currency gain or loss generally will equal the difference between the U.S. dollar value of your purchase price (reduced by any bond premium previously amortized as described above) in the foreign currency of the note, (i) determined on the date the payment is received in exchange for the note or the note is disposed of, and (ii) determined on the date you acquired the note. Amounts attributable to accrued but unpaid interest will be treated as payments of interest on foreign currency notes as described above. Foreign currency gain or loss realized upon the sale or other taxable disposition of any foreign currency note will be recognized only to the extent of the total gain or loss realized on the sale or other taxable disposition of the foreign currency note. Any gain or loss realized in excess of the foreign currency gain or loss will be capital gain or loss (except to the extent of any accrued market discount or, in the case of a short-term note, to the extent of any discount not previously included in your income). If you recognize a loss upon a sale or other disposition of a foreign currency note above certain thresholds, you may be subject to certain reporting requirements.

If you are a cash-method taxpayer who buys or sells a foreign currency note that is traded on an established market, you will be required to translate units of foreign currency paid or received into U.S. dollars at the spot rate on the settlement date of the purchase or sale. Accordingly, no exchange gain or loss will result from currency fluctuations between the trade date and the settlement of the purchase or sale. If you are an accrual-method taxpayer, you may



elect the same treatment for all purchases and sales of foreign currency obligations traded on established securities markets. This election cannot be changed without the consent of the IRS. You

S-21

---

**Table of Contents**

will have a tax basis in any foreign currency received on the sale or other taxable disposition of a foreign currency note equal to the U.S. dollar value of the foreign currency, determined at the time of the sale or other taxable disposition. Any gain or loss on a sale or other disposition of foreign currency (including its exchange for U.S. dollars or its use to purchase foreign currency notes) will be ordinary income or loss.

**Tax Consequences to Non-U.S. Holders**

This section applies only to Non-U.S. Holders. You are a Non-U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of a note that is:

an individual who is classified as a nonresident alien;

a foreign corporation; or

a foreign estate or trust.

You are not a Non-U.S. Holder for purposes of this discussion if you are (i) an individual who is present in the United States for 183 days or more in the taxable year of disposition, or (ii) a former citizen or resident of the United States. If you are or may become such a person, you should consult your tax adviser regarding the U.S. federal tax consequences of an investment in the notes, including the issues discussed below, in light of your circumstances.

Subject to the discussion below regarding FATCA, you generally will not be subject to U.S. federal withholding or income tax in respect of payments on or amounts received on a sale or other taxable disposition of a note, provided that: (i) income in respect of the notes is not effectively connected with your conduct of a trade or business in the United States, and (ii) you provide an appropriate IRS Form W-8 to the applicable withholding agent certifying under penalties of perjury that you are not a United States person.

If you are engaged in a U.S. trade or business, and if income from the notes is effectively connected with your conduct of that trade or business, you generally will be subject to regular U.S. federal income tax with respect to that income in the same manner as if you were a U.S. Holder, subject to the provisions of an applicable income tax treaty provides. In that event, if you are a corporation, you should also consider the potential application of a 30% (or lower treaty rate) branch profits tax.

***U.S. Federal Estate Tax***

If you are 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), you should note that, absent an applicable treaty exemption, a note that is treated as a debt obligation for U.S. federal estate tax purposes generally will 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 have been subject to U.S. federal withholding or income tax (even if the IRS Form W-8 certification requirement described above were satisfied and not taking into account the elimination of such U.S. federal withholding tax due to the application of an income tax treaty). If you are such an individual or entity, you should consult your tax adviser regarding the U.S. federal estate tax consequences of an investment in the notes.

**Information Reporting and Backup Withholding**

Payments on the notes, and the proceeds of a sale, exchange or other disposition of the notes, may be subject to information reporting and, if you fail to provide certain identifying information (such as an accurate taxpayer identification number if you are a U.S. Holder) or meet certain other conditions, may also be subject to backup withholding at the rate specified in the Code. If you are a Non-U.S. Holder that provides an appropriate IRS

S-22

**Table of Contents**

Form W-8, you will generally establish an exemption from backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the relevant information is timely furnished to the IRS.

**FATCA**

Legislation commonly referred to as FATCA generally imposes a withholding tax of 30% on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. This legislation generally applies to interest on the notes and, for dispositions of notes after December 31, 2018, to payments of gross proceeds of the disposition. If withholding applies to the notes, we will not be required to pay any additional amounts with respect to amounts withheld. You should consult your tax adviser regarding FATCA, including the availability of certain refunds or credits.

---

**Table of Contents**

**PLAN OF DISTRIBUTION**

The notes are being offered on a continuous basis by Citigroup through Citigroup Global Markets Inc., as lead agent, and may be offered through additional or other agents named in the applicable supplement. The agent or agents participating in a particular offering of the notes and named in the applicable supplement are collectively referred to as the agent. The agent has agreed to use reasonable efforts to solicit orders to purchase notes. Citigroup will have the sole right to accept orders to purchase notes and may reject proposed purchases in whole or in part. The agent will also have the right to reject any proposed purchase in whole or in part. Citigroup reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement, the accompanying prospectus or any other supplement without notice.

Unless otherwise specified in connection with a particular offering of notes, the agent, acting as principal, will purchase the aggregate stated principal amount of the notes offered at the public offering price stated in the applicable supplement less an underwriting discount stated in the applicable supplement. The agent may sell the notes to the public at the public offering price or to selected dealers, which may include affiliates of ours and/or the agent, at the public offering price less a selling concession described in the applicable supplement. If so specified in the applicable supplement, the agent may sell the notes to the public or to selected dealers at varying prices to be determined at the time of each sale, which may be at prevailing market prices, at prices related to such prevailing prices or at negotiated prices. After any initial public offering of notes to be resold to purchasers at a fixed public offering price, the public offering price and any concession or discount may be changed.

Citigroup reserves the right to sell notes directly to investors on its own behalf. No commission will be payable nor will a discount be allowed on any sales made directly by Citigroup.

Unless notes are issued upon the reopening of a prior offering of notes that were listed on an exchange, no note will have an established trading market when issued. Unless otherwise specified in connection with a particular offering of notes, the notes will not be listed on any securities exchange. The agent may make a market in the notes but is not obligated to do so. If the agent does make a market for a period of time, it may discontinue any market-making at any time without notice, at its sole discretion. There can be no assurance of the existence or liquidity of a secondary market for any notes.

Citigroup estimates that its printing, rating agency, trustees and legal fees and other expenses allocable to the offering of the notes, excluding underwriting discounts and commissions, will be approximately \$4,500,000.

The agent may be deemed to be an underwriter within the meaning of the Securities Act of 1933. Citigroup has agreed to indemnify the agent against liabilities relating to material misstatements and omissions, or to contribute to payments that the agent may be required to make relating to these liabilities. Citigroup will reimburse the agent for customary legal and other expenses incurred by it in connection with the offer and sale of the notes.

Unless otherwise specified in connection with a particular offering of notes, payment of the purchase price of the notes will be required to be made in immediately available funds in New York City on the date of settlement.

Concurrently with the offering of notes through the agent as described in this prospectus supplement, Citigroup may issue other securities under the indentures referred to in the accompanying prospectus.

A portion of the net proceeds from the sale of indexed notes or floating rate notes may be used to hedge Citigroup's obligations under the notes. Citigroup may hedge its obligations under the notes through an affiliate of Citigroup and Citigroup Global Markets Inc. or through unaffiliated counterparties, and such counterparties may profit from such

expected hedging activity even if the value of the notes declines. This hedging activity could affect the level or price of the index or base rate to which such notes are linked and, therefore, the value of and your return on the notes. For more information, see the section **Use of Proceeds and Hedging** in the accompanying prospectus and the applicable Pricing Supplement.

## **Table of Contents**

**Conflicts of Interest.** Citigroup Global Markets Inc., and other broker-dealer subsidiaries of Citigroup, are members of the Financial Industry Regulatory Authority, Inc. ( FINRA ) and may participate in offerings of the notes. Accordingly, offerings of the notes in which Citigroup Global Markets Inc. or Citigroup's other broker-dealer subsidiaries participate will conform with the requirements addressing conflicts of interest when distributing the securities of an affiliate set forth in FINRA Rule 5121. Neither Citigroup Global Markets Inc. nor any other broker-dealer subsidiary of Citigroup will sell notes to an account over which Citigroup or its subsidiaries have investment discretion unless Citigroup Global Markets Inc. or such broker-dealer subsidiary has received specific written approval of the transaction from the account holder.

Any agent, underwriter or dealer that is not an affiliate of ours may presently or from time to time engage in business transactions with us, including extending loans to us.

This prospectus supplement, the accompanying prospectus and each other applicable supplement may be used by Citigroup Global Markets Inc. or other subsidiaries of Citigroup in connection with offers and sales of the notes offered by this prospectus supplement in market-making transactions at negotiated prices related to prevailing market prices at the time of sale. Citigroup Global Markets Inc. or these other subsidiaries may act as principal or agent in such transactions.

A prospectus in electronic format may be made available on the websites maintained by the agent or one or more other dealers. The agent and other dealers may agree to allocate a number of notes for sale to their online brokerage account holders. The agent and other dealers will allocate notes to the agent and dealers that may make Internet distributions on the same basis as other allocations. In addition, notes may be sold by the agent or other dealers to dealers who resell notes to online brokerage account holders.

## **Certain Selling Restrictions**

### *Bolivia*

The offshore notes are not governed by Bolivian legislation nor are they registered with or regulated by the Bolivian regulatory authorities.

### *Brazil*

The notes have not been and will not be issued or publicly placed, distributed, offered or negotiated in the Brazilian capital markets. None of Citigroup 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, the agent has represented, warranted and agreed 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*

The notes 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.

S-25



**Table of Contents**

*European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Member State ), with effect from and including the date on which the Prospectus Directive is implemented in that Member State, the notes have not been and will not be offered to the public (the Securities ) in that Member State other than:

- (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of any agent for any such offer; or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Securities shall require Citigroup or any agent 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 to the public in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression Prospectus Directive means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out in this prospectus supplement and any other applicable supplement.

The accompanying prospectus and this prospectus supplement have been prepared, and each other applicable supplement will be prepared, on the basis that any offer of notes in any Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of notes which are the subject of the offering contemplated in the accompanying prospectus, this prospectus supplement and each other applicable supplement may only do so in circumstances in which no obligation arises for Citigroup or any agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither Citigroup nor any agent have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for Citigroup or any agent to publish a prospectus for such offer.

*Hong Kong Special Administrative Region*

The contents of the accompanying prospectus, this prospectus supplement and each other applicable supplement have not been reviewed by any regulatory authority in the Hong Kong Special Administrative Region of the People's Republic of China ( Hong Kong ). Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of the accompanying prospectus, this prospectus supplement or any other applicable supplement, they should obtain independent professional advice.

Edgar Filing: CITIGROUP INC - Form S-3

The notes have not been offered or sold and will not be offered or sold in Hong Kong by means of any document, other than

- (a) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or
- (b) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the Securities and Futures Ordinance ) and any rules made under that Ordinance; or

S-26

---

**Table of Contents**

- (c) 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.

There is no advertisement, invitation or document relating to the 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. Non-insured Product: The notes are not insured by any governmental agency. The notes are not bank deposits and are not covered by the Hong Kong Deposit Protection Scheme.

*Mexico*

The notes have not been, and will not be, registered with the Mexican National Registry of Securities pursuant to the Mexican Securities Market Law and the agent has represented and agreed 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 prospectus supplement or any other offering materials. This prospectus supplement and any other offering materials may not be publicly distributed in Mexico.

*Peru*

The notes may only be placed privately in Peru, except if such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian securities market law establishes that any particular offer may qualify as private, among others, if it is directed exclusively at institutional investors. The notes will not be subject to a public offering in Peru. Therefore, neither this prospectus supplement nor any other offering materials nor any notes have been or will be registered with the *Superintendencia de Mercado de Valores* (Peru's National Corporations and Securities Supervisory Commission or SMV) or with the Lima Stock Exchange. This prospectus supplement and other offering materials relating to the offer of the notes are being supplied to those Peruvian investors who have expressly requested them. Such materials may not be distributed to any person or entity other than the intended recipients. Peruvian investors, as defined by Peruvian legislation, must rely on their own examination of the terms of the offering of the notes to determine their ability to invest in them. 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.

*Singapore*

The accompanying prospectus, this prospectus supplement and each other applicable supplement have not been registered as a prospectus with the Monetary Authority of Singapore, and the notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the Securities and Futures Act). Accordingly, the notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the accompanying prospectus, this prospectus supplement, any other applicable supplement 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 the 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

S-27

---

**Table of Contents**

(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 Investments) (Shares and Debentures) Regulations 2005 of Singapore.

The notes referred to herein may not be registered with any regulator, regulatory body or similar organization or institution in any jurisdiction in Singapore.

The notes may be Specified Investment Products (as defined in the Notice on Recommendations on Investment Products and Notice on the Sale of Investment Product issued by the Monetary Authority of Singapore on 28 July 2011) that are neither listed nor quoted on a securities market or a futures market.

**Non-insured Product:** The notes are not insured by any governmental agency. The notes are not bank deposits. The notes are not insured products subject to the provisions of the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore and are not eligible for deposit insurance coverage under the Deposit Insurance Scheme.

*United Kingdom*

The accompanying prospectus, this prospectus supplement and each other applicable supplement are only being distributed to and are only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). Any notes will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the accompanying prospectus, this prospectus supplement and each other applicable supplement prospectus or any of their contents.

*Uruguay*

The notes 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 Citigroup does not qualify as an investment fund regulated by Uruguayan law 16,774, as amended. The agent has represented and agreed that notes placed in Uruguay will be placed relying on a private placement (*oferta privada*) pursuant to section 2 of law 18,627.

S-28

**Table of Contents****BENEFIT PLAN INVESTOR CONSIDERATIONS**

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended ( ERISA ), including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans (collectively, ERISA Plans ), should consider the fiduciary standards of ERISA in the context of the ERISA Plan 's particular circumstances before authorizing an investment in the notes. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code of 1986, as amended, (the Code ) prohibit ERISA Plans, as well as plans (including individual retirement accounts and Keogh plans) subject to Section 4975 of the Code (together with ERISA Plans, Plans ), 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 (in either case, Parties in Interest ) with respect to such Plans. As a result of our business, we, and our current and future affiliates, may be Parties in Interest with respect to many Plans. Where we (or our affiliate) are a Party in Interest with respect to a Plan (either directly or by reason of our ownership interests in our directly or indirectly owned subsidiaries), the purchase and holding of the notes by or on behalf of the Plan could be a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless exemptive relief were available under an applicable exemption (as described below).

Certain prohibited transaction class exemptions ( PTCEs ) issued by the U.S. Department of Labor may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the notes. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts) and PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers). In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code may provide a limited exemption for the purchase and sale of the notes and related lending transactions, *provided* that neither the issuer of the notes nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of the Plan involved in the transaction and *provided further* that the Plan pays no more, and receives no less, than adequate consideration in connection with the transaction (the so-called service provider exemption ). There can be no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the notes.

Accordingly, the notes may not be purchased or held by any Plan, any entity whose underlying assets include plan assets by reason of any Plan 's investment in the entity (a Plan Asset Entity ) or any person investing plan assets of any Plan, unless such purchaser or holder is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service provider exemption or there is some other basis on which the purchase and holding of the notes will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code. Each purchaser or holder of the notes or any interest therein will be deemed to have represented by its purchase or holding of the notes that (a) it is not a Plan and its purchase and holding of the notes is not made on behalf of or with plan assets of any Plan or (b) its purchase and holding of the notes will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Certain governmental plans (as defined in Section 3(32) of ERISA), church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) ( Non-ERISA Arrangements ) are not subject to these prohibited transaction rules of ERISA or Section 4975 of the Code, but may be subject to similar rules under

other applicable laws or regulations ( Similar Laws ). Accordingly, each such purchaser or holder of the notes shall be required to represent (and deemed to have represented by its purchase or holding of the notes) that such purchase and holding is not prohibited under applicable Similar Laws.



**Table of Contents**

Due to the complexity of these rules, it is particularly important that fiduciaries or other persons considering purchasing the notes on behalf of or with plan assets of any Plan consult with their counsel regarding the relevant provisions of ERISA, the Code or any Similar Laws and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1, 84-14, the service provider exemption or some other basis on which the acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of any applicable Similar Laws.

The notes are contractual financial instruments. The financial exposure provided by the notes is not a substitute or proxy for, and is not intended as a substitute or proxy for, individualized investment management or advice for the benefit of any purchaser or holder of the notes. The notes have not been designed and will not be administered in a manner intended to reflect the individualized needs and objectives of any purchaser or holder of the notes.

Each purchaser and holder of the notes has exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any applicable Similar Laws. The sale of any notes to any Plan or Non-ERISA Arrangement is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement, or that such an investment is appropriate for Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.

However, individual retirement accounts, individual retirement annuities and Keogh plans, as well as employee benefit plans that permit participants to direct the investment of their accounts, will not be permitted to purchase or hold the notes if the account, plan or annuity is for the benefit of an employee of Citigroup Global Markets Inc. or a family member and the employee receives any compensation (such as, for example, an addition to bonus) based on the purchase of notes by the account, plan or annuity.

**Table of Contents**

**LEGAL MATTERS**

Certain legal matters with respect to the validity of the notes will be passed upon for Citigroup by Barbara Politi, Assistant General Counsel – Capital Markets of Citigroup, Davis Polk & Wardwell LLP, special products counsel to Citigroup, and/or other counsel identified in the applicable supplement. Certain legal matters with respect to the underwriters will be passed upon by Cleary Gottlieb Steen & Hamilton LLP and/or other counsel identified in the applicable supplement. Ms. Politi beneficially owns, or has the right to acquire under Citigroup’s employee benefit plans, less than 1% of Citigroup’s common stock.

S-31

**Table of Contents**

**This prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 27, 2018**

**PROSPECTUS**

May Offer

**Citigroup Global Markets Holdings Inc.**

**Debt Securities**

**Payments Due from Citigroup Global Markets Holdings Inc.**

**Fully and Unconditionally Guaranteed by**

**Citigroup Inc.**

Citigroup Global Markets Holdings Inc. ( Citigroup Global Markets Holdings ) will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus, the accompanying prospectus supplement and any applicable pricing supplement carefully before you invest. Citigroup Global Markets Holdings may offer and sell these securities to or through one or more underwriters, dealers and agents, including Citigroup Global Markets Inc., a broker-dealer affiliate of Citigroup Global Markets Holdings and Citigroup Inc. ( Citigroup ), or directly to purchasers, on a continuous or delayed basis.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus or any accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

These securities are unsecured obligations of Citigroup Global Markets Holdings Inc., and the guarantee of these securities is an unsecured obligation of Citigroup Inc. These securities, and the guarantee of these securities by Citigroup Inc., are not deposits or savings accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

The date of this prospectus is , 2018

---

**Table of Contents**

**PROSPECTUS SUMMARY**

This summary provides a brief overview of the key aspects of Citigroup Global Markets Holdings, Citigroup and all material terms of the offered securities that are known as of the date of this prospectus. For a more complete understanding of the terms of the offered securities, before making your investment decision, you should carefully read:

this prospectus, which explains the general terms of the securities that Citigroup Global Markets Holdings may offer;

the accompanying prospectus supplement, which (1) explains the specific terms of the securities being offered and (2) updates and changes information in this prospectus; and

the documents referred to in **Where You Can Find More Information** beginning on page 3 for information on Citigroup, including its financial statements.

**Citigroup Inc.**

Citigroup Inc. is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions. Citigroup has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. As of December 31, 2017, Citigroup operated, for management reporting purposes, via two primary business segments: *Global Consumer Banking* and *Institutional Clients Group*, with the remaining operations in *Corporate/Other*. Citigroup's principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Citibanamex, S.A. de C.V., each of which is a wholly owned, indirect subsidiary of Citigroup. Citigroup was incorporated in 1988 under the laws of the State of Delaware as a corporation with perpetual duration.

Citigroup's principal executive office is located at 388 Greenwich Street, New York, New York 10013, and its telephone number is (212) 559-1000.

References in this prospectus to **Citigroup** or the **Guarantor** are to Citigroup Inc., and not any of its subsidiaries, unless the context indicates otherwise.

**Citigroup Global Markets Holdings Inc.**

Citigroup Global Markets Holdings Inc. is a holding company primarily engaged in full-service investment banking and securities brokerage business through its U.S. and foreign broker-dealer subsidiaries. Citigroup Global Markets Holdings is a wholly-owned subsidiary of Citigroup Inc.

Citigroup Global Markets Holdings' principal executive office is located at 388 Greenwich Street, New York, New York 10013 and its telephone number is (212) 559-1000.

References in this prospectus to **Citigroup Global Markets Holdings**, **we**, **our** or **us** are to Citigroup Global Markets Holdings Inc., and not any of its subsidiaries, unless the context indicates otherwise.

**The Securities Citigroup Global Markets Holdings May Offer**

Citigroup Global Markets Holdings may use this prospectus to offer debt securities. A prospectus supplement and/or pricing supplement will describe the specific types, amounts, prices and detailed terms of, and important United States federal income tax considerations in respect of, any of the offered securities.

## **Table of Contents**

### **Debt Securities**

Debt securities are guaranteed unsecured and unsubordinated general obligations of Citigroup Global Markets Holdings. The debt securities include Citigroup Global Markets Holdings' notes, debt and guarantees and any other debt for money borrowed that is not subordinated.

The debt securities will be issued under a senior debt indenture between Citigroup Global Markets Holdings, Citigroup, as guarantor, and The Bank of New York Mellon, as trustee. Below are summaries of the general features of the debt securities from this indenture, unless otherwise specified in connection with a particular offering. For a more detailed description of these features, see "Description of Debt Securities" below. You are also encouraged to read the indenture, which is included or incorporated by reference in Citigroup Global Markets Holdings' registration statement of which this prospectus forms a part, Citigroup's most recent Annual Report on Form 10-K, Citigroup's Quarterly Reports on Form 10-Q filed after its most recent Annual Report on Form 10-K and Citigroup's Current Reports on Form 8-K filed after the period covered by Citigroup's most recent Annual Report on Form 10-K. You can receive copies of these documents by following the directions on page 4.

#### *General Indenture Provisions that Apply to the Debt Securities*

The indenture does not limit the amount of debt that Citigroup Global Markets Holdings and Citigroup may issue or provide holders any protection should there be a highly leveraged transaction involving Citigroup Global Markets Holdings or Citigroup, although it does limit Citigroup Global Markets Holdings' and Citigroup's ability to pledge the stock of any subsidiary that meets the financial thresholds in the indenture. These thresholds are described below under "Description of Debt Securities" - Covenants.

The indenture allows for different types of debt securities, including indexed securities, to be issued in series.

The indenture allows Citigroup Global Markets Holdings and Citigroup to merge or to consolidate with another company or sell all or substantially all of its assets to another company or to one or more of its subsidiaries. If any of these events occur with another company, the other company generally would be required to assume Citigroup Global Markets Holdings' and Citigroup's responsibilities for the debt. Unless the transaction resulted in a default, Citigroup Global Markets Holdings and Citigroup would be released from all liabilities and obligations under the debt securities when the other company assumed its responsibilities.

The indenture provides that holders of a majority of the total principal amount of the debt securities outstanding in any series that, in each case, are affected by such change, may vote to change Citigroup Global Markets Holdings' and Citigroup's obligations or your rights concerning those securities. However, changes to the financial terms of that security, including changes in the payment of principal or interest on that security or, except in certain circumstances, the currency of payment, cannot be made unless every holder affected consents to the change.

Citigroup Global Markets Holdings and Citigroup may satisfy their respective obligations under the debt securities or be released from their respective obligations to comply with certain limitations at any time by depositing sufficient amounts of cash and/or government securities with the trustee to pay Citigroup Global Markets Holdings obligations under the particular securities when due.

The indenture governs the actions of the trustee with regard to the debt securities, including when the trustee is required to give notices to holders of the securities and when lost or stolen debt securities may be replaced.

Citigroup provides a full and unconditional guarantee of the debt securities for the benefit of the holders, from time to time, of such debt securities.

## **Table of Contents**

### *Events of Default and Defaults*

The events of default specified in the indenture include:

failure by Citigroup Global Markets Holdings or Citigroup to pay principal when due;

failure by Citigroup Global Markets Holdings or Citigroup to pay required interest for 30 days;

failure by Citigroup Global Markets Holdings or Citigroup to make a required scheduled installment payment to a sinking fund for 30 days;

failure by Citigroup Global Markets Holdings to perform other covenants for 90 days after notice;

certain events of insolvency or bankruptcy of Citigroup Global Markets Holdings, whether voluntary or not; and

any additional events as may be set forth in the applicable prospectus supplement.

Events of bankruptcy or insolvency or resolution proceedings relating to Citigroup will not constitute an event of default with respect to any series of debt securities. Similarly, any breach of a covenant in the indenture by Citigroup (other than payment default) will not constitute an event of default with respect to any series of debt securities. See Description of Debt Securities Events of Default and Defaults. Moreover, it will not constitute an event of default with respect to any series of debt securities if the guarantee of the debt security by Citigroup ceases to be in full force and effect for any reason.

### *Remedies*

If there were an event of default, the trustee or holders of 25% of the principal amount of debt securities outstanding in a series could demand that the principal be paid immediately. However, holders of a majority in principal amount of the securities in that series could rescind that acceleration of the debt securities.

## **Use of Proceeds**

Citigroup Global Markets Holdings will use the net proceeds it receives from any offering of these securities for general corporate purposes, which may include funding its or Citigroup's operating units and subsidiaries, financing possible acquisitions or business expansion and refinancing or extending the maturity of existing debt obligations. Citigroup Global Markets Holdings may use a portion of the proceeds from the sale of indexed notes to hedge its exposure to payments that it may have to make on such indexed notes as described below under Use of Proceeds and Hedging.

## **Plan of Distribution**



Citigroup Global Markets Holdings may sell the offered securities in any of the following ways:

to or through underwriters or dealers;

by itself directly;

through agents; or

through a combination of any of these methods of sale.

The prospectus supplement and/or pricing supplement will explain the ways Citigroup Global Markets Holdings sells specific securities, including the names of any underwriters and details of the pricing of the securities, as well as the commissions, concessions or discounts Citigroup Global Markets Holdings is granting the underwriters, dealers or agents.

**Table of Contents**

If Citigroup Global Markets Holdings uses underwriters in any sale, the underwriters will buy the securities for their own account and may resell the securities from time to time in one or more transactions, at a fixed public offering price or at varying prices determined at the time of sale. In connection with an offering, underwriters and selling group members and their affiliates may engage in transactions to stabilize, maintain or otherwise affect the market price of the securities, in accordance with applicable law.

Citigroup Global Markets Holdings expects that the underwriters for any offering will include one or more of its broker-dealer affiliates, including Citigroup Global Markets Inc. These broker-dealer affiliates also expect to offer and sell previously issued offered securities as part of their business, and may act as a principal or agent in such transactions. Citigroup Global Markets Holdings or any of its affiliates may use this prospectus and the related prospectus supplements and pricing supplements in connection with these activities. Offerings in which Citigroup Global Markets Holdings broker-dealer affiliates participate will conform with the requirements set forth in Rule 5121 of the Financial Industry Regulatory Authority, Inc. addressing conflicts of interest when distributing the securities of an affiliate. See below under Plan of Distribution.

**Ratio of Income to Fixed Charges and****Ratio of Income to Combined Fixed Charges****Including Preferred Stock Dividends**

The following table shows (1) the consolidated ratio of income to fixed charges and (2) the consolidated ratio of income to combined fixed charges including preferred stock dividends of Citigroup for each of the five most recent fiscal years.

	<b>Year Ended December 31,</b>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Ratio of income to fixed charges (excluding interest on deposits)	3.21	3.84	4.41	2.74	2.90
Ratio of income to fixed charges (including interest on deposits)	2.35	2.67	3.01	2.04	2.19
Ratio of income to combined fixed charges including preferred stock dividends (excluding interest on deposits)	2.98	3.48	4.08	2.64	2.87
Ratio of income to combined fixed charges including preferred stock dividends (including interest on deposits)	2.26	2.54	2.89	2.00	2.18

**Where You Can Find More Information**

As required by the Securities Act of 1933, Citigroup Global Markets Holdings and Citigroup filed a registration statement relating to the securities offered by this prospectus with the Securities and Exchange Commission. This prospectus is a part of that registration statement, which includes additional information.

Citigroup files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document Citigroup files at the SEC's public reference room in Washington, D.C. You can also request copies of the documents, upon payment of a duplicating fee, by writing the Public Reference Section of the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

## Edgar Filing: CITIGROUP INC - Form S-3

The SEC allows Citigroup to incorporate by reference the information it files with the SEC, which means that it can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that Citigroup files later with

**Table of Contents**

the SEC will automatically update information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the prospectus supplement. Citigroup incorporates by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (File No. 1-09924):

Annual Report on Form 10-K for the year ended December 31, 2017, filed on February 23, 2018;

Current Reports on Form 8-K filed on January 16, 2018 (to the extent filed with the SEC), January 24, 2018, February 16, 2018, March 19, 2018, April 13, 2018 (to the extent filed with the SEC) and April 23, 2018; and

Definitive Proxy Statement on Schedule 14A, filed on March 15, 2018.

In no event, however, will any of the information that Citigroup furnishes to, pursuant to Item 2.02 or Item 7.01 of any Current Report on Form 8-K (including exhibits related thereto) or other applicable SEC rules, rather than files with, the SEC be incorporated by reference or otherwise be included herein, unless such information is expressly incorporated herein by a reference in such furnished Current Report on Form 8-K or other furnished document.

All documents filed by Citigroup specified in Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of (1) the completion of the offering of the securities described in this prospectus and (2) the date the broker-dealer subsidiaries of Citigroup stop offering securities pursuant to this prospectus shall be incorporated by reference in this prospectus from the date of filing of such documents.

You may request a copy of these filings, at no cost, by writing or telephoning Citigroup at the following address:

Citigroup Document Services

540 Crosspoint Parkway

Getzville, NY 14068

(716) 730-8055 (tel.)

(877) 936-2737 (toll free)

You should rely only on the information provided in this prospectus, the prospectus supplement and any applicable pricing supplement, as well as the information incorporated by reference. Neither Citigroup Global Markets Holdings nor Citigroup is making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, the prospectus supplement, any applicable pricing supplement or any documents incorporated by reference is accurate as of any date other than the date of the applicable document.



---

**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus, the accompanying prospectus supplement and in other information incorporated by reference in this prospectus are forward-looking statements within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. Generally, forward-looking statements are not based on historical facts but instead represent only Citigroup's and its management's beliefs regarding future events. Such statements may be identified by words such as *believe, expect, anticipate, intend, estimate, may increase, may fluctuate*, and similar expressions, or future or conditional verbs such as *will, should, would* and *could*.

Such statements are based on management's current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in this prospectus and the accompanying prospectus supplement, and the factors and uncertainties summarized under

Forward-Looking Statements in Citigroup's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q and the factors listed and described under Risk Factors in Citigroup's most recent Annual Report on Form 10-K. Precautionary statements included in such filings should be read in conjunction with this prospectus and the accompanying prospectus supplement.

**CITIGROUP INC.**

Citigroup Inc. is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions. Citigroup has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. As of December 31, 2017, Citigroup operated, for management reporting purposes, via two primary business segments: *Global Consumer Banking* and *Institutional Clients Group*, with the remaining operations in *Corporate/Other*. Its businesses conduct their activities across the North America, Latin America, Asia and Europe, Middle East and Africa regions. Citigroup's principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Citibanamex, S.A. de C.V., each of which is a wholly owned, indirect subsidiary of Citigroup. Citigroup was incorporated in 1988 under the laws of the State of Delaware as a corporation with perpetual duration.

Citigroup is a holding company and services its obligations primarily by earnings from its operating subsidiaries. Citigroup may augment its capital through issuances of common stock, perpetual preferred stock and equity issued through awards under employee benefits plans, among other issuances. Citigroup and Citigroup'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. Citigroup's subsidiaries may be party to credit agreements that also may restrict their ability to pay dividends. Citigroup currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect Citigroup's ability to service its own debt. Citigroup must also maintain the required capital levels of a bank holding company, and must submit a capital plan, subjected to stress testing, to the Federal Reserve, to which the Federal Reserve does not object, before it may pay dividends on its stock.

Under the regulations of the Board of Governors of the Federal Reserve System (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 to commit resources to its subsidiary banks when doing so is not otherwise in the interests of Citigroup or its shareholders or creditors.

Under Title I of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act), Citigroup has developed a single point of entry resolution strategy and plan under the U.S.



---

**Table of Contents**

Bankruptcy Code. On July 1, 2017, Citigroup submitted its 2017 resolution plan to the Federal Reserve and FDIC. On December 19, 2017, the Federal Reserve and FDIC informed Citigroup that (i) the agencies jointly decided that Citigroup's 2017 resolution plan submission satisfactorily addressed the shortcomings identified in the 2015 resolution plan submission, and (ii) the agencies together did not identify any shortcomings or deficiencies in the 2017 resolution plan submission. Citigroup's next resolution plan submission is due July 1, 2019. For additional information on Citigroup's resolution plan submissions, you should refer to the section "Risk Factors Strategic Risks" in Citigroup's most recent Annual Report on Form 10-K.

Under Citigroup's resolution plan, only Citigroup, the parent holding company, would enter into bankruptcy, while Citigroup's material legal entities (as defined in the public section of its 2017 resolution plan, which can be found on the Federal Reserve and FDIC websites) would remain operational and outside of any resolution or insolvency proceedings. Citigroup believes its resolution plan has been designed to minimize the risk of systemic impact to the U.S. and global financial systems, while maximizing the value of the bankruptcy estate for the benefit of Citigroup's creditors, including its unsecured long-term debt holders. In addition, in line with the Federal Reserve's total loss-absorbing capacity (TLAC) rule, Citigroup believes it has developed the resolution plan so that Citigroup's shareholders and its unsecured creditors including creditors claiming under the Citigroup guarantee of securities being offered by this prospectus bear any losses resulting from Citigroup's bankruptcy. Further, in a bankruptcy or other resolution proceeding of Citigroup, any value realized by holders of any of the securities guaranteed by Citigroup and offered by this prospectus may not be sufficient to repay the amounts owed on such securities.

In response to feedback received from the Federal Reserve and FDIC on Citigroup's 2015 resolution plan, Citigroup took the following actions in connection with its 2017 resolution plan submission (which, as noted above, did not contain any shortcomings or deficiencies):

- (i) Citicorp LLC (Citicorp), an existing wholly owned subsidiary of Citigroup, was established as an intermediate holding company (an IHC) for certain of Citigroup's operating material legal entities;
- (ii) Citigroup executed an inter-affiliate agreement with Citicorp, Citigroup's operating material legal entities and certain other affiliated entities pursuant to which Citicorp is required to provide liquidity and capital support to Citigroup's operating material legal entities in the event Citigroup were to enter bankruptcy proceedings (the Citi Support Agreement);
- (iii) pursuant to the Citi Support Agreement:

Citigroup made an initial contribution of assets, including certain high-quality liquid assets and inter-affiliate loans (Contributable Assets), to Citicorp, and Citicorp became the business as usual funding vehicle for Citigroup's operating material legal entities;

Citigroup will be obligated to continue to transfer Contributable Assets to Citicorp over time, subject to certain amounts retained by Citigroup to, among other things, meet Citigroup's near-term cash needs;



in the event of a Citigroup bankruptcy, Citigroup will be required to contribute most of its remaining assets to Citicorp; and

(iv) the obligations of both Citigroup and Citicorp under the Citi Support Agreement, as well as the Contributable Assets, are secured pursuant to a security agreement.

The Citi Support Agreement provides two mechanisms, besides Citicorp's issuing of dividends to Citigroup, pursuant to which Citicorp will be required to transfer cash to Citigroup during business as usual so that Citigroup can fund its debt service as well as other operating needs: (i) one or more funding notes issued by Citicorp to Citigroup and (ii) a committed line of credit under which Citicorp may make loans to Citigroup.

Under the terms of the Indenture, a Citigroup bankruptcy, insolvency or resolution proceeding will not constitute an event of default with respect to any series of debt securities issued by Citigroup Global Markets

---

**Table of Contents**

Holdings. Moreover, it will not constitute an event of default with respect to any series of Citigroup Global Markets Holdings debt securities if the guarantee of the debt securities by Citigroup ceases to be in full force and effect for any reason, including Citigroup's insolvency or resolution. Should the Citigroup guarantee no longer be in effect, Citigroup Global Markets Holdings will become the sole obligor under its debt securities, and there can be no assurance that it would be able to continue to meet its obligations under the debt securities.

In the event that Citigroup Global Markets Holdings also enters bankruptcy, at the time of Citigroup's bankruptcy filing or at a later time, holders of debt securities issued by Citigroup Global Markets Holdings would be unsecured creditors of Citigroup in respect of the Citigroup guarantee and, accordingly, cannot be assured that the Citigroup guarantee would protect them against losses resulting from a Citigroup Global Markets Holdings' default.

Institutional Clients Group ( ICG ) provides corporate, institutional, public sector and high-net-worth clients around the world with a full range of wholesale banking products and services, including fixed income and equity sales and trading, foreign exchange, prime brokerage, derivative services, equity and fixed income research, corporate lending, investment banking and advisory services, private banking, cash management, trade finance and securities services. ICG transacts with clients in both cash instruments and derivatives, including fixed income, foreign currency, equity and commodity products.

ICG revenue is generated primarily from fees and spreads associated with these activities. ICG earns fee income for assisting clients in clearing transactions, providing brokerage and investment banking services and other such activities. Revenue generated from these activities is recorded in Commissions and fees and Investment banking. Revenue is also generated from transaction processing and assets under custody and administration. Revenue generated from these activities is primarily recorded in Administration and other fiduciary fees. In addition, as a market maker, ICG facilitates transactions, including holding product inventory to meet client demand, and earns the differential between the price at which it buys and sells the products. These price differentials and the unrealized gains and losses on the inventory are recorded in Principal transactions. Other primarily includes mark-to-market gains and losses on certain credit derivatives, gains and losses on available-for-sale ( AFS ) securities and other non-recurring gains and losses. Interest income earned on assets held less interest paid to customers on deposits and long-term and short-term debt is recorded as Net interest revenue.

The amount and types of Markets revenues are impacted by a variety of interrelated factors, including market liquidity; changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads, as well as their implied volatilities; investor confidence; and other macroeconomic conditions. Assuming all other market conditions do not change, increases in client activity levels or bid/offer spreads generally result in increases in revenues. However, changes in market conditions can significantly impact client activity levels, bid/offer spreads and the fair value of product inventory. For example, a decrease in market liquidity may increase bid/offer spreads, decrease client activity levels and widen credit spreads on product inventory positions.

ICG's international presence is supported by trading floors in approximately 80 countries and a proprietary network in 98 countries and jurisdictions. At December 31, 2017, ICG had approximately \$1.3 trillion of assets and \$640 billion of deposits, while two of its businesses, securities services and issuer services, managed approximately \$17.4 trillion of assets under custody compared to \$15.2 trillion at the end of 2016.

The principal office of Citigroup is located at 388 Greenwich Street, New York, New York 10013, and its telephone number is (212) 559-1000.



**Table of Contents**

**CITIGROUP GLOBAL MARKETS HOLDINGS INC.**

Citigroup Global Markets Holdings Inc., operating through its subsidiaries, engages in full-service investment banking and securities brokerage business. As used in this description, Citigroup Global Markets Holdings and the Company refer to Citigroup Global Markets Holdings Inc. and its consolidated subsidiaries. Citigroup Global Markets Holdings operates in the ICG segment.

The principal offices of Citigroup Global Markets Holdings are located at 388 Greenwich Street, New York, New York 10013, and its telephone number is (212) 559-1000. Citigroup Global Markets Holdings was incorporated in New York on February 23, 1977 and is the successor to Salomon Smith Barney Holdings Inc., a Delaware corporation, following a statutory merger effective on July 1, 1999, for the purpose of changing its state of incorporation. On April 7, 2003, Citigroup Global Markets Holdings filed a Restated Certificate of Incorporation in the State of New York changing its name from Salomon Smith Barney Holdings Inc. to Citigroup Global Markets Holdings Inc.

**Table of Contents**

**USE OF PROCEEDS AND HEDGING**

*General.* Citigroup Global Markets Holdings will use the proceeds it receives from the sale of the offered securities for general corporate purposes, which may include:

funding the business of its operating units and the operating units of Citigroup and its subsidiaries;

funding investments in, or extensions of credit or capital contributions to, its and Citigroup's subsidiaries;

financing possible acquisitions or business expansion; and

lengthening the average maturity of liabilities, which means that it could reduce its short-term liabilities or refund maturing indebtedness.

Citigroup Global Markets Holdings expects to incur additional indebtedness in the future to fund its businesses. Citigroup Global Markets Holdings or one or more affiliates may enter into a derivative or other transaction in connection with the sale of the offered securities and may earn additional income from that transaction.

*Use of Proceeds Relating to Indexed Notes.* Citigroup Global Markets Holdings or one or more of its affiliates may use all or some of the proceeds received from the sale of indexed notes to purchase or maintain positions in the underlying assets. Citigroup Global Markets Holdings or one or more of its affiliates may also purchase or maintain positions in options, futures contracts, forward contracts or swaps, or options on the foregoing, or other derivative or similar instruments relating to the relevant index or underlying assets. Citigroup Global Markets Holdings may also use the proceeds to pay the costs and expenses of hedging any currency, interest rate or other index-related risk relating to such indexed notes.

Citigroup Global Markets Holdings expects that it or one or more of its affiliates will increase or decrease their initial hedging position over time using techniques which help evaluate the size of any hedge based upon a variety of factors affecting the value of the underlying instrument. These factors may include the history of price changes in that underlying instrument and the time remaining to maturity. Citigroup Global Markets Holdings or one or more of its affiliates may take long or short positions in the index, the underlying assets, options, futures contracts, forward contracts, swaps, or options on the foregoing, or other derivative or similar instruments related to the index or the underlying assets. These other hedging activities may occur from time to time before the indexed notes mature and will depend on market conditions and the value of the index and the underlying assets.

In addition, Citigroup Global Markets Holdings or one or more of its affiliates may purchase or otherwise acquire a long or short position in indexed notes from time to time and may, in their sole discretion, hold, resell, exercise, cancel or retire such offered securities. Citigroup Global Markets Holdings or one or more of its affiliates may also take hedging positions in other types of appropriate financial instruments that may become available in the future.

If Citigroup Global Markets Holdings or one or more of its affiliates has a long hedge position in, or options, futures contracts or swaps or options on the foregoing, or other derivative or similar instruments related to, the index or underlying assets, Citigroup Global Markets Holdings or one or more of its affiliates may liquidate all or a portion of its holdings at or about the time of the maturity or earlier redemption or repurchase of, or the payment of any indexed

interest on, the indexed notes. The aggregate amount and type of such positions are likely to vary over time depending on future market conditions and other factors. Since the hedging activities described in this section involve risks and may be influenced by a number of factors, it is possible that Citigroup Global Markets Holdings or one or more of its affiliates may receive a profit from the hedging activities, even if the market value of the indexed notes declines. Citigroup Global Markets Holdings is only able to determine profits or losses from any such position when the position is closed out and any offsetting position or positions are taken into account.

**Table of Contents**

Citigroup Global Markets Holdings has no reason to believe that its hedging activities, as well as those of its affiliates, will have a material impact on the price of such options, futures contracts, forward contracts, swaps, options on the foregoing, or other derivative or similar instruments, or on the value of the index or the underlying assets. However, Citigroup Global Markets Holdings cannot guarantee you that its hedging activities, as well as those of its affiliates, will not affect such prices or values. Citigroup Global Markets Holdings will use the remainder of the proceeds from the sale of indexed notes for the general corporate purposes described above.

**Table of Contents**

**EUROPEAN MONETARY UNION**

The foreign currencies in which debt securities may be denominated or by which amounts due on the offered securities may be calculated could be issued by countries that are member states of the European Union that have adopted or adopt the single Euro currency in accordance with the Treaty establishing the European Community (as that Treaty is amended from time to time) (the Participating Member States ).

The current nineteen Participating Member States are: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. Other member states of the European Union may also become participating member states of the single Euro currency.

**DESCRIPTION OF DEBT SECURITIES**

The debt securities offered by this prospectus will be guaranteed unsecured and unsubordinated obligations of Citigroup Global Markets Holdings. The debt securities will be issued under a senior debt indenture dated as of March 8, 2016 and supplemented from time to time. The senior debt indenture, as amended, is sometimes referred to in this prospectus as the indenture. The senior debt indenture (or form thereof) has been filed with the SEC and is included in the registration statement on Form S-3 under the Securities Act of 1933, as amended, of which this prospectus forms a part. In the event of (i) any conflict between a provision of the senior debt indenture and the Trust Indenture Act of 1939, as amended (the TIA ) or (ii) the omission of a provision required to be included in the senior debt indenture by the TIA, the TIA will control.

The following briefly summarizes the material provisions of the indenture and the debt securities, other than pricing and related terms disclosed in the accompanying prospectus supplement or pricing supplement, as the case may be. You should read the more detailed provisions of the indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of an offering of debt securities, which will be described in more detail in the applicable prospectus supplement and/or pricing supplement. Copies of the indenture may be obtained from Citigroup Global Markets Holdings, Citigroup or the trustee. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections in the indenture. Wherever particular sections or defined terms of the indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statements in this prospectus are qualified by that reference. If any debt securities are to be issued under an indenture having terms that differ from those described below, the terms of such indenture will be as described in the applicable supplement for the offering of such debt securities.

As used in this prospectus, the term supplement means either a prospectus supplement or a pricing supplement, as applicable.

Unless otherwise specified in connection with a particular offering of debt securities, the trustee under the indenture will be The Bank of New York Mellon. Citigroup Global Markets Holdings has appointed Citibank, N.A. to act as registrar and paying agent under the indenture.

**General**

The indenture provides that unsecured senior debt securities of Citigroup Global Markets Holdings, the payment on which is fully and unconditionally guaranteed by Citigroup, may be issued in one or more series, with different terms, in each case as authorized from time to time by Citigroup Global Markets Holdings. Citigroup Global Markets Holdings also has the right to reopen a previous issue of a series of debt securities by issuing additional debt securities



of such series.

United States federal income tax consequences and other special considerations applicable to any debt securities issued by Citigroup Global Markets Holdings at a discount or a premium will be described in the applicable supplement.

**Table of Contents**

Because Citigroup is a holding company, the claims of creditors of Citigroup's subsidiaries will have a priority over Citigroup's equity rights and the rights of Citigroup's creditors, including the holders of debt securities, to participate in the assets of Citigroup's subsidiaries (other than Citigroup Global Markets Holdings) upon any subsidiary's liquidation. Similarly, because Citigroup Global Markets Holdings is also a holding company, the claims of creditors of Citigroup Global Markets Holdings' subsidiaries will have a priority over Citigroup Global Markets Holdings' equity rights and the rights of Citigroup Global Markets Holdings' creditors, including the holders of debt securities, to participate in the assets of Citigroup Global Markets Holdings' subsidiaries upon any subsidiary's liquidation.

The applicable supplement relating to any offering of debt securities will describe the following terms, where applicable:

the title of the debt securities;

the indenture under which the debt securities are being issued;

the total principal amount of the debt securities;

the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;

the maturity date or dates;

the interest rate or the method of computing the interest rate;

the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment date or dates and any related record dates;

if other than in U.S. dollars, the currency or currency unit in which payment will be made;

if the amount of any payment may be determined with reference to an index or formula based on a currency or currency unit other than that in which the debt securities are payable, the manner in which the amounts will be determined;

if the amount of any payment may be determined with reference to an index or formula based on securities, commodities, intangibles, articles or goods, or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance, the manner in which the amount will be determined;

if any payments may be made at the election of Citigroup Global Markets Holdings or a holder of debt securities in a currency or currency unit other than that in which the debt securities are stated to be payable, the periods within which, and the terms upon which, such election may be made;

the terms and conditions on which the debt securities may be redeemed at the option of Citigroup Global Markets Holdings;

any obligation of Citigroup Global Markets Holdings to redeem, purchase or repay the debt securities at the option of a holder and the terms and conditions of redemption, purchase or repayment;

if other than the principal amount, the portion of the principal amount of the debt securities payable if the maturity is accelerated;

the date of any global security if other than the original issuance of the first debt security to be issued;

any material provisions of the indenture described in this prospectus that do not apply to the debt securities; and

any other specific terms of the debt securities (*Section 3.01*).

The terms on which debt securities may be convertible into or exchangeable for common stock or other securities of any kind will be set forth in the supplement relating to such offering. Such terms will include

## **Table of Contents**

provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of Citigroup Global Markets Holdings. The terms may include provisions pursuant to which the number of shares of common stock or other securities to be received by the holders of such debt securities may be adjusted.

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities are not subject to any sinking fund.

Unless otherwise specified in connection with a particular offering of debt securities, debt securities denominated in U.S. dollars will be issued only in denominations of \$1,000 and whole multiples of \$1,000 in excess thereof (*Section 2.01*). The supplement relating to debt securities denominated in a foreign currency will specify the denomination of such debt securities.

The currency for payment for book-entry debt securities denominated in a foreign currency will be specified in the applicable supplement. However, when interests in such debt securities are held through The Depository Trust Company ( DTC ), all payments in respect of such debt securities will be made in U.S. dollars. See Book-Entry Procedures and Settlement and Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency Currency Conversions below.

Citigroup Global Markets Holdings may, without notice to or consent of the holders or beneficial owners of a series of debt securities, issue additional debt securities having the same ranking, interest rate, maturity and other terms as the debt securities initially issued. Any such debt securities could be considered part of the same series of debt securities under the indenture as the debt securities initially issued.

The debt securities will be issued only in registered form. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under Book-Entry Procedures and Settlement.

Unless otherwise specified in connection with a particular offering of debt securities, the debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal trust office of the registrar maintained for such purpose in New York City. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but Citigroup Global Markets Holdings may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer (*Section 3.06*).

Unless otherwise specified in connection with a particular offering of debt securities denominated in a foreign currency, a fiscal agency agreement will be entered into in relation to the debt securities between Citigroup Global Markets Holdings and Citibank, N.A., London office, as registrar, fiscal agent and principal paying agent. The terms registrar, fiscal agent, and principal paying agent shall include any successors appointed from time to time in accordance with the provisions of the fiscal agency agreement, and any reference to an agent or agents shall mean any or all (as applicable) of such persons. The holders of the debt securities are bound by, and are deemed to have notice of, the provisions of the fiscal agency agreement. Unless otherwise specified in connection with a particular offering of debt securities, copies of the fiscal agency agreement are available for inspection during usual business hours at the principal office of Citibank, N.A. London office, located at Citigroup Centre, Canada Square, Canary Wharf, London, England.

## **Payments of Principal and Interest**

Payments of principal and interest on debt securities issued in book-entry form will be made as described below under Book-Entry Procedures and Settlement. Payments of principal and interest on debt securities issued in definitive form, if any, will be made as described below under Definitive Notes and Paying Agents.

**Table of Contents**

Unless otherwise specified in connection with a particular offering of debt securities, interest on the debt securities will be paid as follows:

<b>Interest Payment Frequency</b>	<b>Interest Payment Dates</b>
Monthly	Fifteenth day of each calendar month, beginning in the first calendar month following the month the debt security was issued.
Quarterly	Fifteenth day of every third month, beginning in the third calendar month following the month the debt security was issued.
Semi-annually	Fifteenth day of every sixth month, beginning in the sixth calendar month following the month the debt security was issued.
Annually	Fifteenth day of every twelfth month, beginning in the twelfth calendar month following the month the debt security was issued.

Unless otherwise specified in connection with a particular offering of debt securities, all payments of interest on the debt securities will be made to the persons in whose names the notes are registered at the close of business on the Business Day preceding an interest payment date.

If an interest payment date for a fixed rate note or the maturity date of the debt securities falls on a day that is not a Business Day, the payment due on such interest payment date or on the maturity date will be postponed to the next succeeding Business Day, and no further interest will accrue in respect of such postponement. Unless otherwise specified in connection with a particular offering of debt securities, if an interest payment date for a floating rate note falls on a day that is not a Business Day, such interest payment date will be the next following Business Day unless that day falls in the next calendar month, in which case the interest payment date will be the first preceding Business Day.

Unless otherwise specified in connection with a particular offering of debt securities, in this section, **Business Day** means any day which is a day on which commercial banks settle payments and are open for general business (a) in New York, in the case of U.S. dollar-denominated debt securities; (b) in New York, London and Tokyo, in the case of Yen-denominated debt securities; and (c) in New York and London and which is also a TARGET business day ( TARGET ), in the case of Euro-denominated debt securities. A TARGET business day is a day on which TARGET 2 is open for the settlement of payment in Euro, and TARGET 2 is the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007. Unless otherwise specified in connection with a particular offering of debt securities, in the case of Canadian dollar-denominated debt securities, **Business Day** shall mean any Toronto business day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign currency deposits and foreign exchange) in Toronto.

If a date for payment of interest or principal on the debt securities falls on a day that is not a business day in the place of payment, such payment will be made on the next succeeding business day in such place of payment as if made on the date the payment was due. No interest will accrue on any amounts payable for the period from and after the due date for payment of such principal or interest.

**Interest Rate Determination***Fixed Rate Notes*

Unless otherwise specified in connection with a particular offering of debt securities, each fixed rate note will bear interest from its original issue date, or from the last interest payment date to which interest has been

---

**Table of Contents**

paid or duly provided for, at the rate per annum stated in the applicable supplement until its principal amount is paid or made available for payment.

Unless otherwise specified in connection with a particular offering of debt securities, interest on each fixed rate note will be payable semi-annually in arrears on the dates set forth in the applicable supplement, with each such day being an interest payment date, and at maturity. Unless otherwise specified in connection with a particular offering of debt securities, interest on U.S.-dollar-denominated fixed rate notes will be calculated on the basis of a 360-day year comprised of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed. The day-count for fixed rate notes denominated in any other currency will be set forth in the applicable supplement. All U.S. dollar, Canadian dollar and Euro amounts resulting from this calculation will be rounded to the nearest cent, with one-half cent being rounded upward. All Yen amounts resulting from this calculation will be rounded to the nearest Yen, with five-tenths or more of ¥1 to be rounded upwards to the nearest ¥1 per debt security. The rounding convention for any other currency will be set forth in the applicable supplement.

*Floating Rate Notes*

Each floating rate note will bear interest at the interest rate specified in the supplement relating to a particular series of debt securities. Unless otherwise specified in connection with a particular offering of debt securities, interest on each floating rate note will be payable quarterly in arrears on the dates set forth in the applicable supplement, with each such day being an interest payment date, and at maturity. Unless otherwise specified in connection with a particular offering of debt securities, interest on floating rate notes will be calculated on the basis of the actual number of days in an interest period and a 360-day year. An interest period is the period commencing on an interest payment date and ending on the day preceding the next following interest payment date.

The first interest period will commence on the day the floating rate notes are issued and will end on the day preceding the next following interest payment date.

The interest rate for each offering of floating rate notes for a particular interest period will be a per annum rate equal to the base rate specified in the applicable supplement, as determined on the relevant interest determination date (as defined in the applicable supplement), plus or minus any spread or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points specified in the applicable supplement and the spread multiplier is the percentage specified in the applicable supplement.

Each floating rate note will bear interest for each interest period at a rate determined by Citibank, N.A., acting as calculation agent. Promptly upon determination, the calculation agent will inform the trustee and Citigroup Global Markets Holdings of the interest rate for the next interest period. Absent manifest error, the determination of the interest rate by the calculation agent shall be binding and conclusive on the holders of such floating rate notes, the trustee and Citigroup Global Markets Holdings. Upon request from any noteholder, the calculation agent will provide the interest rate in effect on the notes for the current interest period and, if it has been determined, the interest rate to be in effect for the next interest period.

Unless otherwise specified in connection with a particular offering of debt securities, all percentages resulting from any calculation of the rate of interest on a floating rate note will be rounded, if necessary, to the nearest 1/100,000 of 1% (.0000001), with five one-millionths of a percentage point rounded upward. All currency amounts used in, or resulting from, the calculation on floating rate notes will be rounded to the nearest one-hundredth of a unit. For purposes of rounding, .005 of a unit shall be rounded upward.





---

**Table of Contents****Book-Entry Procedures and Settlement**

Unless otherwise specified in connection with a particular offering of debt securities, we will issue debt securities under a book-entry system in the form of one or more global securities. We will register the global securities in the name of a depository or its nominee and deposit the global securities with that depository. Unless otherwise specified in connection with a particular offering of debt securities, The Depository Trust Company, New York, New York, or DTC, will be the depository if we use a depository.

Following the issuance of a global security in registered form, the depository will credit the accounts of its participants with the debt securities upon our instructions. Only persons who hold directly or indirectly through financial institutions that are participants in the depository can hold beneficial interests in the global securities. Because the laws of some jurisdictions require certain types of purchasers to take physical delivery of such securities in definitive form, you may encounter difficulties in your ability to own, transfer or pledge beneficial interests in a global security.

So long as the depository or its nominee is the registered owner of a global security, we and the trustee will treat the depository as the sole owner or holder of the debt securities for purposes of the indenture. Therefore, except as set forth below, you will not be entitled to have debt securities registered in your name or to receive physical delivery of certificates representing the debt securities. Accordingly, you will have to rely on the procedures of the depository and the participant in the depository through whom you hold your beneficial interest in order to exercise any rights of a holder under the indenture. We understand that under existing practices, the depository would act upon the instructions of a participant or authorize that participant to take any action that a holder is entitled to take.

You may elect to hold interests in the global securities either in the United States through DTC or outside the United States through Clearstream Banking, société anonyme ( Clearstream ) or Euroclear Bank, S.A./N.V., or its successor, as operator of the Euroclear System, ( Euroclear ) if you are a participant of such system, or indirectly through organizations that are participants in such systems. Interests held through Clearstream and Euroclear will be recorded on DTC's books as being held by the U.S. depository for each of Clearstream and Euroclear, which U.S. depositories will in turn hold interests on behalf of their participants' customers' securities accounts.

As long as the debt securities are represented by the global securities, we will pay principal of and interest and premium, if any, on those securities to or as directed by DTC as the registered holder of the global securities. Payments to DTC will be in immediately available funds by wire transfer. DTC, Clearstream or Euroclear, as applicable, will credit the relevant accounts of their participants on the applicable date. Neither we nor the trustee will be responsible for making any payments to participants or customers of participants or for maintaining any records relating to the holdings of participants and their customers, and you will have to rely on the procedures of the depository and its participants.

If an issue of debt securities is denominated in a currency other than the U.S. dollar, we will make payments of principal and any interest in the foreign currency in which the debt securities are denominated or, for notes held through DTC, in U.S. dollars. See *Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency* *Currency Conversions* below.

*Settlement*

You will be required to make your initial payment for the debt securities in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the

applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

---

**Table of Contents**

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by U.S. depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (based on European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depository to take action to effect final settlement on its behalf by delivering or receiving debt securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositories.

Because of time-zone differences, credits of debt securities received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such debt securities settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of debt securities by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of debt securities among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

*Definitive Notes and Paying Agents*

A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- (a) the depository is unwilling or unable to continue as depository for such global security and Citigroup Global Markets Holdings is unable to find a qualified replacement for the depository within 90 days;
- (b) the depository ceases to be a clearing agency registered under the Securities Exchange Act of 1934 or Clearstream, Euroclear, CREST or any other securities depository, book-entry system or clearing agency located outside the United States which is so authorized to act under applicable law and, in each case, Citigroup Global Markets Holdings notifies the trustee that it is unable to find a qualified successor depository; or
- (c) Citigroup Global Markets Holdings in its sole discretion decides to allow some or all book-entry securities to be exchangeable for definitive securities in registered form.

Unless otherwise specified in connection with a particular offering of debt securities, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount, in denominations of \$1,000 and whole multiples of \$1,000. Definitive notes will be registered in the name or names of the person or persons specified by the depository in a written instruction to the

registrar of the securities. The Depositary may base its written instruction upon directions it receives from its participants.

If any of the events described above occurs, then the beneficial owners will be notified through the chain of intermediaries that definitive debt securities are available and notice will be published as described below under

Notices. Beneficial owners of book-entry debt securities will then be entitled (1) to receive physical delivery in certificated form of definitive debt securities equal in principal amount to their beneficial interest and (2) to have the definitive debt securities registered in their names. Thereafter, the holders of the definitive debt securities will be recognized as the holders of the debt securities under the indenture.

## **Table of Contents**

The indenture provides for the replacement of a mutilated, lost, stolen or destroyed security, so long as the applicant furnishes to Citigroup Global Markets Holdings and the trustee such security or indemnity and such evidence of ownership as they may require.

In the event definitive debt securities are issued, the holders of definitive debt securities will be able to receive payments of principal and interest on their debt securities at the office of Citigroup Global Markets Holdings paying agent maintained in the Borough of Manhattan (in the case of holders of U.S. dollar-denominated debt securities or holders of debt securities denominated in a foreign currency electing to receive payments in U.S. dollars) and in London (in the case of holders of debt securities denominated in a foreign currency not electing to receive payments in U.S. dollars). Payment of principal of a definitive debt security may be made only against surrender of the debt security to one of Citigroup Global Markets Holdings paying agents. Citigroup Global Markets Holdings also has the option of making payments of interest by mailing checks to the registered holders of the debt securities.

Unless otherwise specified in connection with a particular offering of debt securities, Citigroup Global Markets Holdings paying agent in the Borough of Manhattan will be the corporate trust office of Citibank, N.A., located at 388 Greenwich Street, 14th Floor, New York, New York 10013. Citigroup Global Markets Holdings paying agent in London is Citibank, N.A. London office, located at Citigroup Centre, Canada Square, Canary Wharf, London, England.

In the event definitive debt securities are issued, the holders of definitive debt securities will be able to transfer their securities, in whole or in part, by surrendering the debt securities for registration of transfer at the office of Citibank, N.A., listed above, duly endorsed by or accompanied by a written instrument of transfer in form satisfactory to Citigroup Global Markets Holdings and the securities registrar. A form of such instrument of transfer will be obtainable at the relevant office of Citibank, N.A. Upon surrender, Citigroup Global Markets Holdings will execute, and the trustee will authenticate and deliver, new debt securities to the designated transferee in the amount being transferred, and a new debt security for any amount not being transferred will be issued to the transferor. Such new securities will be delivered free of charge at the relevant office of Citibank, N.A., as requested by the owner of such new debt securities. Citigroup Global Markets Holdings will not charge any fee for the registration of transfer or exchange, except that it may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer.

### *Notices*

So long as the global securities are held on behalf of DTC or any other clearing system, notices to holders of securities represented by a beneficial interest in the global securities may be given by delivery of the relevant notice to DTC or the alternative clearing system, as the case may be.

### **Governing Law**

The indenture and the debt securities for all purposes shall be governed by and construed in accordance with the laws of the State of New York.

### **Unclaimed Funds**

Unless otherwise specified in connection with a particular offering of debt securities, all funds deposited with the trustee or any paying agent for the payment of principal, interest, premium or additional amounts in respect of the debt securities that remain unclaimed for two years after the maturity date of the debt securities will be repaid to Citigroup Global Markets Holdings upon its request. Thereafter, any right of any noteholder to such funds shall be enforceable

only against Citigroup Global Markets Holdings, and the trustee and paying agents will have no liability therefor.

---

**Table of Contents**

**Prescription**

Under New York's statute of limitations, any legal action to enforce Citigroup Global Markets Holdings' payment obligations evidenced by the debt securities must be commenced within six years after payment is due. Thereafter Citigroup Global Markets Holdings' payment obligations will generally become unenforceable.

**Ranking**

The debt securities will be issued under the indenture, will be guaranteed unsecured and unsubordinated obligations of Citigroup Global Markets Holdings and will rank on an equal basis with all other unsecured senior indebtedness of Citigroup Global Markets Holdings, whether existing at the time of issuance or created thereafter.

**Covenants**

*Limitations on Liens.* The indenture provides that neither Citigroup Global Markets Holdings nor Citigroup will, and each will not permit any Subsidiary to, incur, issue, assume or guarantee any indebtedness for money borrowed if such indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, without providing that each series of debt securities and, at its option, any other senior indebtedness ranking equally with such series of debt securities, is secured equally and ratably with such indebtedness. This limitation shall not apply to indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including any renewals or extensions of such secured indebtedness (*Sections 5.04 and 16.04*).

With respect to Citigroup Global Markets Holdings and Citigroup, as applicable (each, a Citi entity), Significant Subsidiary means a Subsidiary, including its Subsidiaries, which meets any of the following conditions:

The Citi entity's and its other Subsidiaries' investments in and advances to the Subsidiary exceed 10 percent of the total assets of the Citi entity and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;

The Citi entity's and its other Subsidiaries' proportionate share of the total assets of the Subsidiary after intercompany eliminations exceeds 10 percent of the total assets of Citigroup and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or

The Citi entity's and its other Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of the Subsidiary exceeds 10 percent of such income of the Citi entity and its Subsidiaries consolidated for the most recently completed fiscal year.

Subsidiary means any corporation or other entity of which a majority of the voting power of the voting securities or, in the case of a partnership or any other entity other than a corporation, the outstanding equity interests, shall at the time be owned, directly or indirectly, by the Citi entity, and/or one or more Subsidiaries, except securities entitled to vote for directors only upon the happening of a contingency.



Voting Stock means capital stock, the holders of which have general voting power under ordinary circumstances to elect at least a majority of the board of directors of a corporation, or substantially equivalent interests in the case of an entity other than a corporation, except capital stock that carries only the right to vote conditioned on the happening of an event regardless of whether such event shall have happened (*Sections 5.04 and 16.04*).

## **Table of Contents**

*Limitations on Mergers and Sales of Assets.* The indenture provides that neither Citigroup Global Markets Holdings nor Citigroup will merge or consolidate with another entity or sell other than for cash or lease all or substantially all its assets to another entity, except, in the case of Citigroup, if such lease or sale is to one or more of its Subsidiaries, unless:

either (1) the Citi entity is the continuing entity, or (2) the successor entity, if other than the Citi entity, is a U.S. corporation, partnership or trust and expressly assumes by supplemental indenture the obligations of the Citi entity evidenced by the securities issued pursuant to the indenture; and

immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indenture (*Sections 5.05 and 16.05*).

Other than the restrictions described above, the indenture does not contain any covenants or provisions that would protect holders of the debt securities in the event of a highly leveraged transaction.

## **Modification of the Indenture**

Under the indenture, Citigroup Global Markets Holdings, Citigroup and the trustee can enter into supplemental indentures to establish the form and terms of any series of debt securities without obtaining the consent of any holder of debt securities.

Citigroup Global Markets Holdings, Citigroup and the trustee may, with the consent of the holders of at least a majority in aggregate principal amount of the debt securities of a series that are affected by such modification, modify the indenture or the rights of the holders of the securities of such series to be affected.

No such modification may, without the consent of the holder of each security so affected:

extend the fixed date on which the principal or any installment of interest on any such securities is due and payable;

reduce the rate of interest on such securities;

reduce the principal amount of such securities;

reduce the principal amount of any securities issued originally at a discount that would be due and payable upon a declaration of the acceleration of the maturity thereof;

change the currency in which any such securities are payable; or

impair the right to sue for the enforcement of any payment on or after the fixed date on which such payment is due and payable.

In addition, no such modification may:

reduce the percentage of securities referred to above whose holders need to consent to the modification without the consent of such holders; or

change the rights, duties or immunities of the trustee under the indenture unless the trustee agrees to such change(*Sections 15.01, 15.02 and 15.03*).

#### **Events of Default and Defaults**

Events of default under the indenture are:

failure of Citigroup Global Markets Holdings or Citigroup to pay required interest on any debt security of such series for 30 days;

failure of Citigroup Global Markets Holdings or Citigroup to pay principal, other than a scheduled installment payment to a sinking fund, on any debt security of such series when due;

**Table of Contents**

failure of Citigroup Global Markets Holdings or Citigroup to make any required scheduled installment payment to a sinking fund for 30 days on debt securities of such series;

failure of Citigroup Global Markets Holdings to perform for 90 days after notice any other covenant in the indenture applicable to it other than a covenant included in the indenture solely for the benefit of a series of debt securities other than such series; and

certain events of bankruptcy or insolvency of Citigroup Global Markets Holdings, whether voluntary or not (*Section 6.01*).

Events of bankruptcy or insolvency or resolution proceedings relating to Citigroup will not constitute an event of default with respect to any series of debt securities. Similarly, any breach of a covenant in the indenture by Citigroup (other than payment default) will not constitute an event of default with respect to any series of debt securities. Furthermore, it will not constitute an event of default with respect to any series of debt securities if the guarantee of the debt security by Citigroup ceases to be in full force and effect for any reason. Therefore, events of bankruptcy or insolvency or resolution proceedings relating to Citigroup (in the absence of any such event occurring with respect to Citigroup Global Markets Holdings) will not permit any of the debt securities to be declared due and payable. In addition, a breach of a covenant by Citigroup (including, for example, a breach of Citigroup's covenants with respect to mergers, the sale of all or substantially all its assets or limitations on liens, as described above under Covenants ), other than payment default, will not permit any of the debt securities to be declared due and payable. The value you receive on any series of debt securities may be significantly less than what you would have otherwise received had the debt securities been declared due and payable immediately upon certain events of bankruptcy or insolvency or resolution proceedings relating to Citigroup or the breach of a covenant by Citigroup or upon Citigroup's guarantee ceasing to be in full force and effect.

If an event of default regarding debt securities of any series issued under the indenture should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (*Section 6.02*). Citigroup Global Markets Holdings and Citigroup are required to file annually with the trustee a statement of an officer as to the fulfillment by Citigroup Global Markets Holdings and Citigroup of its obligations under the indenture during the preceding year (*Section 5.06*).

No event of default regarding one series of debt securities issued under the indenture is necessarily an event of default regarding any other series of debt securities (*Section 6.02*). For purposes of this section, series refers to debt securities having identical terms, except as to issue date, principal amount and, if applicable, the date from which interest begins to accrue.

Holders of a majority in principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indenture and to waive past defaults regarding such series (*Sections 6.02 and 6.06*). The trustee generally will not be under any obligation to act at the request, order or direction of any of the holders of debt securities, unless one or more of such holders shall have offered to the trustee reasonable security or indemnity satisfactory to it (*Section 10.01*).

If an event of default occurs regarding a series of debt securities, the trustee may use any sums that it collects under the indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (*Section 6.05*).

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer security and indemnity reasonably satisfactory to the trustee against liabilities incurred by the trustee for taking such action (*Section 6.07*).

---

**Table of Contents**

**Defeasance**

Unless otherwise specified in connection with a particular offering of debt securities, after Citigroup Global Markets Holdings has deposited with the paying agent cash and/or U.S. government securities or, in the case of debt securities denominated in a currency other than U.S. dollars, after Citigroup Global Markets Holdings has deposited with the paying agent funds in the currency specified in the applicable supplement and/or other government securities specified in the applicable supplement in trust for the benefit of the beneficial owners sufficient to pay the principal of, premium, if any, and interest on the debt securities of such series when due, then Citigroup Global Markets Holdings, at its option:

will be deemed to have paid and satisfied its obligations on all outstanding debt securities of such series, which is known as defeasance and discharge (*Section 12.02*); or

will cease to be under any obligation under specific covenants, relating to the debt securities of such series, which is known as covenant defeasance (*Section 12.03*).

In the case of both defeasance and discharge and covenant defeasance, Citigroup Global Markets Holdings must also deliver to the trustee an opinion of counsel to the effect that the beneficial owners of the debt securities of such series will have no United States federal income tax consequences as a result of such deposit (*Section 12.04*).

When there is a defeasance and discharge, (1) the indenture will no longer govern the debt securities of such series, (2) Citigroup Global Markets Holdings and Citigroup will no longer be liable for payment and (3) the beneficial owners of such debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, Citigroup Global Markets Holdings and Citigroup will continue to be obligated to make payments when due if the deposited funds are not sufficient.

The obligations and rights under the indenture regarding compensation, reimbursement and indemnification of the trustee, optional redemption, mandatory or optional sinking fund payments, if any, registration of transfer and exchange of the debt securities of such series, replacement of mutilated, destroyed, lost or stolen debt securities and certain other administrative provisions will continue even if Citigroup Global Markets Holdings exercises its defeasance and discharge or covenant defeasance options (*Sections 12.02 and 12.03*).

Under current United States federal income tax law, defeasance and discharge should be treated as a taxable exchange of the debt securities for an interest in the trust. As a consequence, each beneficial owner of the debt securities would recognize gain or loss equal to the difference between the value of the beneficial owner's interest in the trust and beneficial owner's adjusted tax basis for the debt securities deemed exchanged, except to the extent attributable to accrued but unpaid interest, which will be taxable as ordinary income. Each beneficial owner would then be required to include in income his share of any income, gain and loss recognized by the trust. Even though United States federal income tax on the deemed exchange would be imposed on a beneficial owner, the beneficial owner would not receive any cash until the maturity or an earlier redemption of the debt securities, except for any current interest payments. Prospective investors are urged to consult their tax advisors as to the specific consequences of a defeasance and discharge, including the applicability and effect of tax laws other than the United States federal income tax law.

Under current United States federal income tax law, a covenant defeasance would not be treated as a taxable exchange of debt securities.

**Citigroup Guarantees**

The payments due on debt securities issued by Citigroup Global Markets Holdings will be fully and unconditionally guaranteed by Citigroup. If for any reason Citigroup Global Markets Holdings does not make any required payment in respect of its debt securities when due, Citigroup will cause the payment to be made at

**Table of Contents**

the same address at which Citigroup Global Markets Holdings is obligated to make such payment. The holder of a guaranteed debt security will be entitled to payment under the relevant guarantee of Citigroup without taking any action whatsoever against Citigroup Global Markets Holdings. Citigroup's obligations under its guarantee are unconditional, irrespective of any (i) extension, amendment, modification or renewal of any required payment; (ii) any waiver of any event of default, extension of time or failure to enforce any required payment; or (iii) any extension, moratorium or other relief granted to Citigroup Global Markets Holdings pursuant to any applicable law or statute. The indenture permits Citigroup, at its option and without the consent of the holders of the debt securities of any series, to assume all of the obligations of Citigroup Global Markets Holdings under any debt securities. Upon any such assumption, Citigroup Global Markets Holdings will be released from its obligations under such debt securities.

**Concerning the Trustee**

Citigroup Global Markets Holdings, Citigroup and certain of their affiliates have had and may continue to have banking relationships with the trustee in the ordinary course of business.

**CURRENCY CONVERSIONS AND FOREIGN EXCHANGE RISKS AFFECTING  
DEBT SECURITIES DENOMINATED IN A FOREIGN CURRENCY**

**Currency Conversions**

Unless otherwise specified in connection with a particular offering of debt securities, debt securities denominated in a foreign currency which are offered and sold in the United States ( "DTC debt securities" ) will be represented by beneficial interests in fully registered permanent global debt securities ( "DTC global debt securities" ) which will be deposited with Citibank, N.A. London office, as custodian for, and registered in the name of Cede & Co., as nominee for, DTC. While interests in the DTC debt securities are held through the DTC global debt securities, all payments in respect of such debt securities will be made in U.S. dollars.

As determined by the exchange agent under the terms of the fiscal agency agreement, in accordance with reasonable market practice, the amount of U.S. dollars payable in respect of any particular payment under the DTC debt securities will be equal to the amount of the relevant foreign currency/U.S.\$ rate of exchange prevailing as of 11:00 a.m. (London time) on the day which is two Business Days prior to the relevant payment date, less any costs incurred by the exchange agent for such conversion (to be shared pro rata among the holders of DTC debt securities accepting U.S. dollar payments in the proportion of their respective holdings), all in accordance with the fiscal agency agreement. If an exchange rate bid quotation is not available, the exchange agent shall obtain a bid quotation from a leading foreign exchange bank in London selected by the exchange agent for such purpose after consultation with Citigroup Global Markets Holdings. If no bid quotation from a leading foreign exchange bank is available, payment will be in the relevant foreign currency to the account or accounts specified by DTC to the exchange agent. For purposes of this paragraph, a "Business Day" is a day on which commercial banks and foreign exchange markets settle payments in each of New York City and London.

Although DTC has agreed to the foregoing procedures, it is under no obligation to perform or continue to perform these procedures, and these procedures may be modified or discontinued.

Holders of the debt securities will be subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them. For further information as to such consequences, see "Foreign Exchange Risks" below.



**Judgments in a Foreign Currency**

The debt securities will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any

**Table of Contents**

currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

**Foreign Exchange Risks**

An investment in debt securities which are denominated in, and all payments in respect of which are to be made in, a currency other than the currency of the country in which the purchaser is a resident or the currency in which the purchaser conducts its business or activities (the home currency ) entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include, without limitation, the possibility of significant changes in the rates of exchange between the home currency and the relevant foreign currency and the possibility of the imposition or modification of foreign exchange controls with respect to the relevant foreign currency. Such risks generally depend on economic and political events over which Citigroup Global Markets Holdings has no control. In recent years, rates of exchange for foreign currencies have been volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of the debt securities. Depreciation of the relevant foreign currency against the relevant home currency could result in a decrease in the effective yield of such relevant foreign denominated debt security below its coupon rate and, in certain circumstances, could result in a loss to the investor on a home currency basis.

This description of foreign currency risks does not describe all the risks of an investment in debt securities denominated in a currency other than the home currency. Prospective investors should consult with their financial and legal advisors as to the risks involved in an investment in a particular offering of debt securities.

**Table of Contents**

**PLAN OF DISTRIBUTION**

Citigroup Global Markets Holdings may offer the offered securities in one or more of the following ways from time to time:

to or through underwriters or dealers;

by itself directly;

through agents; or

through a combination of any of these methods of sale.

Any such underwriters, dealers or agents may include any broker-dealer affiliate of Citigroup Global Markets Holdings.

The supplement relating to an offering of offered securities will set forth the terms of such offering, including:

the name or names of any underwriters, dealers or agents;

the purchase price of the offered securities and the proceeds to Citigroup Global Markets Holdings from such sale;

any underwriting discounts and commissions or agency fees and other items constituting underwriters or agents' compensation;

the initial public offering price;

any discounts or concessions to be allowed or reallocated or paid to dealers; and

any securities exchanges on which such offered securities may be listed.

Any initial public offering prices, discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

If underwriters are used in an offering of offered securities, such offered securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The

securities may be offered either to the public through underwriting syndicates represented by one or more managing underwriters or by one or more underwriters without a syndicate. Unless otherwise specified in connection with a particular offering of securities, the underwriters will not be obligated to purchase offered securities unless specified conditions are satisfied, and if the underwriters do purchase any offered securities, they will purchase all offered securities.

In connection with underwritten offerings of the offered securities and in accordance with applicable law and industry practice, underwriters may over-allot or effect transactions that stabilize, maintain or otherwise affect the market price of the offered securities at levels above those that might otherwise prevail in the open market, including by entering stabilizing bids, effecting syndicate covering transactions or imposing penalty bids, each of which is described below.

A stabilizing bid means the placing of any bid, or the effecting of any purchase, for the purpose of pegging, fixing or maintaining the price of a security.

A syndicate covering transaction means the placing of any bid on behalf of the underwriting syndicate or the effecting of any purchase to reduce a short position created in connection with the offering.

A penalty bid means an arrangement that permits the managing underwriter to reclaim a selling concession from a syndicate member in connection with the offering when offered securities originally sold by the syndicate member are purchased in syndicate covering transactions.

## **Table of Contents**

These transactions may be effected on the NYSE, in the over-the-counter market, or otherwise. Underwriters are not required to engage in any of these activities, or to continue such activities if commenced.

If dealers are utilized in the sale of offered securities, Citigroup Global Markets Holdings will sell such offered securities to the dealers as principals. The dealers may then resell such offered securities to the public at varying prices to be determined by such dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the supplement relating to that transaction.

Offered securities may be sold directly by Citigroup Global Markets Holdings to one or more institutional purchasers, or through agents designated by Citigroup Global Markets Holdings from time to time, at a fixed price or prices, which may be changed, or at varying prices determined at the time of sale. Any agent involved in the offer or sale of the offered securities in respect of which this prospectus is delivered will be named, and any commissions payable by Citigroup Global Markets Holdings to such agent will be set forth, in the supplement relating to that offering. Unless otherwise specified in connection with a particular offering of securities, any such agent will be acting on a best efforts basis for the period of its appointment.

As one of the means of direct issuance of offered securities, Citigroup Global Markets Holdings may utilize the services of an entity through which it may conduct an electronic dutch auction or similar offering of the offered securities among potential purchasers who are eligible to participate in the auction or offering of such offered securities, if so described in the applicable supplement.

If so indicated in the applicable supplement, Citigroup Global Markets Holdings will authorize agents, underwriters or dealers to solicit offers from certain types of institutions to purchase offered securities from Citigroup Global Markets Holdings at the public offering price set forth in such supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject only to those conditions set forth in the supplement and the supplement will set forth the commission payable for solicitation of such contracts.

**Conflicts of Interest.** The broker-dealer affiliates of Citigroup Global Markets Holdings, including Citigroup Global Markets Inc., are members of FINRA and may participate in distributions of the offered securities. Accordingly, offerings of offered securities in which Citigroup Global Markets Holdings broker-dealer affiliates participate will conform with the requirements addressing conflicts of interest when distributing the securities of an affiliate set forth in FINRA Rule 5121. Neither Citigroup Global Markets Inc. nor any other broker-dealer affiliate of Citigroup Global Markets Holdings will sell the offered securities to an account over which Citigroup or its subsidiaries have investment discretion unless Citigroup Global Markets Inc. or such broker-dealer subsidiary has received specific written approval of the transaction from the account holder.

This prospectus, together with any applicable supplement, may also be used by any broker-dealer affiliate of Citigroup Global Markets Holdings in connection with offers and sales of the offered securities in market-making transactions, including block positioning and block trades, at negotiated prices related to prevailing market prices at the time of sale. Any of Citigroup Global Markets Holdings broker-dealer affiliates may act as principal or agent in such transactions. None of Citigroup Global Markets Holdings broker-dealer affiliates have any obligation to make a market in any of the offered securities and may discontinue any market-making activities at any time without notice, at its sole discretion.

One or more dealers, referred to as remarketing firms, may also offer or sell the securities, if the supplement so indicates, in connection with a remarketing arrangement contemplated by the terms of the securities. Remarketing firms will act as principals for their own accounts or as agents. The supplement will identify any remarketing firm and the terms of its agreement, if any, with Citigroup Global Markets Holdings and Citigroup and will describe the

remarketing firm's compensation. Remarketing firms may be deemed to be underwriters in connection with the remarketing of the securities.

**Table of Contents**

Underwriters, dealers and agents may be entitled, under agreements with Citigroup Global Markets Holdings and Citigroup, to indemnification by Citigroup Global Markets Holdings and Citigroup relating to material misstatements and omissions. Underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, Citigroup Global Markets Holdings and affiliates of Citigroup Global Markets Holdings in the ordinary course of business.

Except for securities issued upon a reopening of a previous series, each series of offered securities will be a new issue of securities and will have no established trading market. Any underwriters to whom offered securities are sold for public offering and sale may make a market in such offered securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. The offered securities may or may not be listed on a securities exchange. No assurance can be given that there will be a market for the offered securities.

**LEGAL MATTERS**

Scott L. Flood, Secretary and General Counsel of Citigroup Global Markets Holdings, and Barbara Politi, Assistant General Counsel – Capital Markets of Citigroup, or counsel to be identified in the applicable supplement, will act as legal counsel to Citigroup Global Markets Holdings and Citigroup. Mr. Flood and Ms. Politi each respectively beneficially own, or have rights to acquire under Citigroup’s employee benefit plans, an aggregate of less than 1% of Citigroup’s common stock. Cleary Gottlieb Steen & Hamilton LLP, New York, New York, or other counsel identified in the applicable supplement, will act as legal counsel to the underwriters. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup and certain of its subsidiaries, including Citigroup Global Markets Holdings, and may do so in the future.

**EXPERTS**

The consolidated financial statements of Citigroup Inc. as of December 31, 2017 and 2016, and for each of the years in the three-year period ended December 31, 2017, and management’s assessment of effectiveness of internal control over financial reporting as of December 31, 2017 have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing. To the extent that KPMG LLP audits and reports on consolidated financial statements of Citigroup at future dates, and consents to the use of their reports thereon, such consolidated financial statements also will be incorporated by reference in the registration statement in reliance upon their reports and said authority.

**Table of Contents**

**The information in this prospectus supplement is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 27, 2018**

**PROSPECTUS SUPPLEMENT**

**(To prospectus dated           , 2018)**

**Citigroup Global Markets Holdings Inc.**

**Medium-Term Senior Notes, Series N**

**Payments Due from Citigroup Global Markets Holdings Inc.**

**Fully and Unconditionally Guaranteed by Citigroup Inc.**

**General Terms of Sale**

The following terms will generally apply to the medium-term senior notes that we will sell from time to time using this prospectus supplement, the accompanying prospectus and any applicable pricing supplement, product supplement and/or other supplement. Citigroup Global Markets Holdings will include information on the specific terms for each note in a pricing supplement, product supplement and/or other supplement (each of which we refer to as a supplement ) to this prospectus supplement that Citigroup Global Markets Holdings will deliver to prospective buyers of any note.

The notes will have maturities of nine months or more from the date of issue, unless otherwise specified in the applicable supplement.

The notes may be issued as indexed notes. The payment or deliveries at maturity and/or payments of interest, if any, on indexed notes may be linked to the price or level of one or more equity securities, equity indices, commodities, commodity indices, currencies, interest rates or any other index or measure, or a basket of one or more of the foregoing, as specified in the applicable supplement.

The notes may be settled in cash or in other property, as specified in the applicable supplement.



The terms of specific notes may permit or require redemption or repurchase at our option or the option of the holder.

The notes will be denominated in U.S. dollars, unless otherwise specified by us and described in the applicable supplement.

The notes may bear interest at a fixed or floating interest rate or may bear no interest.

The notes will not be listed on any securities exchange, unless otherwise specified in the applicable supplement.

The notes are part of our senior indebtedness.

You should review Description of Debt Securities in the accompanying prospectus, Description of the Notes in this prospectus supplement and each other applicable supplement for specific terms that apply to your notes.

**Investing in the notes involves risks. See Risk Factors beginning on page S-1 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement, product supplement or other supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Our affiliate, Citigroup Global Markets Inc., has agreed to use reasonable efforts to solicit offers to purchase these notes as our agent. The agent may also purchase these notes as principal at prices to be agreed upon at the time of sale. The agent may resell any notes it purchases as principal at a fixed public offering price, at prevailing market prices or at other prices, as the agent determines.

These notes are unsecured obligations of Citigroup Global Markets Holdings Inc., and the guarantee of these notes is an unsecured obligation of Citigroup Inc. These notes, and the guarantee of these notes by Citigroup Inc., are not deposits or savings accounts and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

**Citigroup**

, 2018

**Table of Contents**

We are responsible for the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus, any other applicable supplement and in any related free writing prospectus that we prepare or authorize. We have not authorized anyone to provide you with any other information, and we take no responsibility for any other information that others may provide you. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date of the applicable document. We are not making an offer of the notes in any jurisdiction where the offer is not permitted.

References in this prospectus supplement to Citigroup Global Markets Holdings, we, our or us are to Citigroup Global Markets Holdings Inc., and not any of its subsidiaries, unless the context indicates otherwise.

**TABLE OF CONTENTS****Prospectus Supplement**

	<b>Page</b>
<u>Risk Factors</u>	S-1
<u>Important Currency Information</u>	S-4
<u>Forward-Looking Statements</u>	S-5
<u>Description of the Notes</u>	S-6
<u>United States Federal Tax Considerations</u>	S-14
<u>Plan of Distribution</u>	S-25
<u>Conflicts of Interest</u>	S-26
<u>Benefit Plan Investor Considerations</u>	S-31
<u>Legal Matters</u>	S-33

**Prospectus**

<u>Prospectus Summary</u>	1
<u>Forward-Looking Statements</u>	6
<u>Citigroup Inc.</u>	6
<u>Citigroup Global Markets Holdings Inc.</u>	9
<u>Use of Proceeds and Hedging</u>	10
<u>European Monetary Union</u>	12
<u>Description of Debt Securities</u>	12
<u>Currency Conversions and Foreign Exchange Risks Affecting Debt Securities Denominated in a Foreign Currency</u>	24
<u>Plan of Distribution</u>	26
<u>Legal Matters</u>	28
<u>Experts</u>	28

Table of Contents

**RISK FACTORS**

**Risk Factors Relating to Notes Denominated in a Non-U.S. Currency**

**Changes in Exchange Rates and Exchange Controls Could Result in a Substantial Loss to You.**

An investment in foreign currency notes, which are notes denominated in a specified currency other than U.S. dollars, entails significant risks that are not associated with a similar investment in a security denominated in U.S. dollars. Similarly, an investment in an indexed note, on which all or a part of any payment due is based on one or more currencies other than U.S. dollars, has significant risks that are not associated with a similar investment in non-indexed notes. Such risks include, but are not limited to:

the possibility of significant market changes in exchange rates between U.S. dollars and the relevant currencies;

the possibility of significant changes in exchange rates between U.S. dollars and the relevant currencies resulting from official redenomination or revaluation of such specified currency; and

the possibility of the imposition or modification of foreign exchange controls by either the United States or foreign governments.

Such risks generally depend on factors over which Citigroup Global Markets Holdings has no 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, exchange rates between the U.S. dollar and some foreign currencies in which Citigroup Global Markets Holdings notes may be denominated, and between these foreign currencies and other foreign currencies, 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 fluctuations that may occur in the exchange rate during the term of any foreign currency note. Depreciation of the specified currency of a foreign currency note against the U.S. dollar may result in a decrease in the effective yield of such foreign currency note below its interest rate and could result in a substantial loss to the investor on a U.S. dollar basis.

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 other than U.S. dollars at the time of payment of principal of, or premium (if any) or interest on, a foreign currency note. There can be no assurance that exchange controls will not restrict or prohibit payments of principal, premium (if any) or interest or other amounts payable (if

any) denominated in any such specified currency. Similarly, in the case of indexed notes and depending on the specific terms of the notes, fluctuations of the relevant underlying currencies could result in no return or in a substantial loss to the investor.

Even if there are no actual exchange controls, it is possible that such specified currency would not be available to Citigroup Global Markets Holdings when payments on a note are due because of circumstances beyond the control of Citigroup Global Markets Holdings. In this event, Citigroup Global Markets Holdings will make required payments in U.S. dollars on the basis described in this prospectus supplement. You should consult your own financial and legal advisors as to the risks of an investment in notes denominated in a currency other than U.S. dollars. See [The Unavailability of Currencies Could Result in a Substantial Loss to You](#) and [Description of the Notes](#) Supplemental Provisions Relating to Non-U.S. Dollar Notes [Payment of Principal and Interest](#) below.

S-1

---

**Table of Contents**

The information set forth in this prospectus supplement is directed to prospective purchasers of notes who are United States residents, except where otherwise expressly noted. We cannot advise prospective purchasers who are residents of countries other than the United States regarding any matters that may affect the purchase or holding of, or receipt of payments of principal, premium or interest on, notes. Such persons should consult their advisors with regard to these matters. Any applicable supplement relating to notes having a specified currency other than U.S. dollars will contain a description of any material exchange controls affecting such currency and any other required information concerning such currency.

**The Unavailability of Currencies Could Result in a Substantial Loss to You.**

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and such currency is

unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup Global Markets Holdings' control;

no longer used by the government of the country issuing such currency; or

no longer used for the settlement of transactions by public institutions of the international banking community then all payments on such note will be made in U.S. dollars until such currency is again available or so used. The amounts so payable on any date in such currency shall be converted into U.S. dollars on the basis of the most recently available market exchange rate for such currency or as otherwise indicated in the applicable supplement. Any payment on such note made under such circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which such note was issued.

Unless otherwise specified in the applicable pricing supplement, if the specified currency of a note is officially redenominated, such as by an official redenomination of any such specified currency that is a composite currency, then the payment obligations of Citigroup Global Markets Holdings on such note will be the amount of redenominated currency that represents the amount of Citigroup Global Markets Holdings' obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable under such notes as a result of:

any change in the value of the specified currency of such 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 such composite currency is itself officially redenominated.

For a description of the European Monetary Union, see "European Monetary Union" in the accompanying prospectus and any disclosure on the European Monetary Union in an applicable supplement.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings accounts.

facilities in the United States. Accordingly, payments on notes made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable supplement.

**Judgments in a Foreign Currency Could Result in a Substantial Loss to You.**

The notes will be governed by, and construed in accordance with, the laws of New York State. Courts in the United States customarily have not rendered judgments for money damages denominated in any currency other than the U.S. dollar. A 1987 amendment to the Judiciary Law of New York State provides, however, that an

S-2

**Table of Contents**

action based upon an obligation denominated in a currency other than U.S. dollars will be rendered in the foreign currency of the underlying obligation. Any judgment awarded in such an action will be converted into U.S. dollars at the rate of exchange prevailing on the date of the entry of the judgment or decree.

**Other Risk Factors**

**Events of Bankruptcy or Insolvency or Resolution Proceedings Relating to Citigroup Inc. and Covenant Breach by Citigroup Inc. Will Not Constitute an Event of Default With Respect to the Notes.**

Events of bankruptcy or insolvency or resolution proceedings relating to Citigroup Inc. will not constitute an event of default with respect to the notes. Similarly, any breach of a covenant in the indenture by Citigroup Inc. (other than payment default) will not constitute an event of default with respect to the notes. Furthermore, it will not constitute an event of default with respect to the notes if the guarantee of the notes by Citigroup Inc. ceases to be in full force and effect for any reason. Therefore, events of bankruptcy or insolvency or resolution proceedings relating to Citigroup Inc. (in the absence of any such event occurring with respect to Citigroup Global Markets Holdings) will not permit the notes to be declared due and payable. In addition, a breach of a covenant by Citigroup Inc. (including, for example, a breach of Citigroup Inc.'s covenants with respect to mergers, the sale of all or substantially all its assets or limitations on liens), other than payment default, will not permit the notes to be declared due and payable. The value you receive on the notes may be significantly less than what you would have otherwise received had the notes been declared due and payable immediately upon certain events of bankruptcy or insolvency or resolution proceedings relating to Citigroup Inc. or the breach of a covenant by Citigroup Inc. or upon Citigroup Inc.'s guarantee ceasing to be in full force and effect.

**The U.S. Federal Tax Consequences of an Assumption of the Notes are Unclear.**

The notes may be assumed by Citigroup, as provided in the accompanying prospectus. The law regarding whether or not such an assumption would be considered a taxable modification of the notes is not entirely clear and, if the Internal Revenue Service (the "IRS") were to treat the assumption as a taxable modification, a U.S. holder would generally be required to recognize gain (if any) on the notes and the timing and character of income recognized with respect to the notes after the assumption could be affected significantly. You should read carefully the discussion under "United States Federal Tax Considerations" in this prospectus supplement. You should also consult your tax adviser regarding the U.S. federal tax consequences of an assumption of the notes.

**Additional risks specific to particular notes will be detailed in the applicable pricing supplement, product supplement and/or other supplement.**

**Table of Contents**

**IMPORTANT CURRENCY INFORMATION**

Purchasers are required to pay for each note in the currency specified by Citigroup Global Markets Holdings for such note. If requested by a prospective purchaser of a note having a specified currency other than U.S. dollars, Citigroup Global Markets Holdings' exchange rate agent may at its discretion arrange for the exchange of U.S. dollars into such specified currency to enable the purchaser to pay for such note. Each such exchange will be made by the exchange rate agent. The terms, conditions, limitations and charges that the exchange rate agent may from time to time establish in accordance with its regular foreign exchange practice shall control the exchange. The purchaser must pay all costs of exchange.

References in this prospectus supplement to U.S. dollars, U.S.\$, dollar or \$ are to the lawful currency of the United States.

S-4



**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus supplement, the accompanying prospectus and in other information incorporated by reference in this prospectus are forward-looking statements within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. Generally, forward-looking statements are not based on historical facts but instead represent only Citigroup's and its management's beliefs regarding future events. Such statements may be identified by words such as *believe, expect, anticipate, intend, estimate, may increase, may fluctuate, illustrate*, and similar expressions, or future or conditional verbs such as *will, should, would* and *could*.

Such statements are based on management's current expectations and are subject to risks, uncertainties and changes in circumstances. Actual results and capital and other financial conditions may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in this prospectus supplement and the accompanying prospectus, and the factors and uncertainties summarized under

Forward-Looking Statements in Citigroup's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q and the factors listed and described under Risk Factors in Citigroup's most recent Annual Report on Form 10-K. Precautionary statements included in such filings should be read in conjunction with this prospectus and the accompanying prospectus supplement.

---

**Table of Contents**

**DESCRIPTION OF THE NOTES**

*The following description of the particular terms of the Medium-Term Senior Notes, Series N supplements the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus. If any specific information regarding the notes in this prospectus supplement is inconsistent with the more general terms of the debt securities described in the accompanying prospectus, you should rely on the information in this prospectus supplement.*

*The applicable pricing supplement and any applicable product supplement or other supplement (each of which we refer to as a supplement ) for each offering of notes will contain the specific information and terms for that offering. If any information in the applicable supplement, including any changes in the method of calculating interest on any note, is inconsistent with this prospectus supplement, you should rely on the information in the applicable supplement. The applicable supplement may also add, update or change information contained in the accompanying prospectus and this prospectus supplement. It is important for you to consider the information contained in the accompanying prospectus, this prospectus supplement and each other applicable supplement in making your investment decision.*

**General**

The notes are a series of senior debt securities issued under Citigroup Global Markets Holdings senior debt indenture dated as of March 8, 2016 and as amended from time to time among Citigroup Global Markets Holdings, Citigroup, as guarantor, and The Bank of New York Mellon, as trustee, the payments on which are fully and unconditionally guaranteed by Citigroup Inc. You should review the accompanying prospectus for further information about Citigroup Global Markets Holdings senior indenture. The information in this section Description of the Notes supplements, and should be read together with, the information in the section Description of Debt Securities in the accompanying prospectus. Citigroup Global Markets Holdings reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement without notice.

The notes will constitute part of the senior indebtedness of Citigroup Global Markets Holdings and will rank on an equal basis with all other unsecured debt of Citigroup Global Markets Holdings other than subordinated debt. The guarantee of payments due on the notes will constitute part of the senior indebtedness of Citigroup and will rank on an equal basis with all other unsecured debt of Citigroup other than subordinated debt. See Description of Debt Securities Citigroup Guarantees in the prospectus.

The applicable supplement relating to a note will describe the following terms, to the extent applicable:

the specified currency for such note, if other than U.S. dollars;

the price at which such note will be issued;

the original issue date on which such note will be issued;

the date of the stated maturity;

Edgar Filing: CITIGROUP INC - Form S-3

if such note is a fixed rate note, the rate per annum at which such note will bear any interest, and whether and the manner in which such rate may be changed prior to its stated maturity;

if such note is a floating rate note, relevant terms such as:

- (1) the base rate;
- (2) the initial interest rate;
- (3) the interest periods or the interest reset dates;
- (4) the interest payment dates;
- (5) any index maturity;

S-6

**Table of Contents**

- (6) any maximum interest rate;
- (7) any minimum interest rate;
- (8) any spread or spread multiplier; and
- (9) any other terms relating to the particular method of calculating the interest rate for such note and whether and how any spread or spread multiplier may be changed prior to stated maturity;

whether such note is a note issued originally at a discount;

if such note is an amortizing note, the terms for repayment prior to stated maturity;

if such note is an indexed note, in the case of an indexed rate note, the manner in which the amount of any interest payment will be determined or, in the case of an indexed principal note, its stated principal amount and the manner in which the amount payable at stated maturity will be determined;

if such note may be settled in any property or currency other than U.S. dollars, the type of such property or currency and the manner in which it will be determined;

if such note may be redeemed at the option of Citigroup Global Markets Holdings, or repaid at the option of the holder, prior to stated maturity as described under **Optional Redemption, Repayment and Repurchase** below, the terms of its redemption or repayment;

if such note has an optional extension beyond its stated maturity, the terms of such optional extension;

the form of such notes, if other than a global security registered in the name of a nominee of DTC;

any special United States federal income tax consequences of the purchase, ownership and disposition of a particular issuance of notes;

if such note is a renewable note, the specific terms governing renewability;

the use of proceeds, if materially different than that disclosed in the accompanying prospectus; and

any other terms of such note that are not inconsistent with the provisions of the indenture under which such note will be issued.

### **Indexed Notes**

Citigroup Global Markets Holdings may from time to time offer indexed notes on which some or all interest payments, in the case of an indexed rate note, and/or the amount payable at stated maturity or earlier redemption or retirement, in the case of an indexed principal note, is determined based on the price or level of one or more equity securities, equity indices, commodities, commodity indices, currencies, interest rates or any other index or measure, or a basket of one or more of the foregoing, as specified in the applicable supplement (each, an *index* ). Indexed principal notes will have a stated principal amount set forth in the applicable supplement. With respect to indexed principal notes, references to the payment of *principal* in this prospectus supplement or the accompanying prospectus (other than the *stated principal amount* ) in the context of the amount payable at stated maturity or earlier redemption or repayment are to the amount payable on such note at stated maturity or earlier redemption or repayment, as specified in the applicable supplement, other than any interest payable at such time. Such amount may be greater than, equal to or less than the stated principal amount of such note at issuance.

A description of the index used in any determination of the payment at maturity or an interest payment, and the method or formula by which such payments will be determined based on such index, will be set forth in the applicable supplement.

If a fixed rate note, floating rate note or indexed rate note is also an indexed principal note, the amount of any interest payment will be determined based on the stated principal amount of such indexed note unless

## **Table of Contents**

specified otherwise in connection with a particular offering of notes. If an indexed rate note is also an indexed principal note, the amount payable at stated maturity or any earlier redemption or repayment of the indexed note may be different from the stated principal amount.

Unless otherwise set forth in the applicable supplement, the regular record date for any interest payment date for an indexed note will be the business day immediately preceding the relevant interest payment date.

Unless otherwise specified in connection with a particular offering of notes, for the purpose of determining whether holders of the requisite principal amount of notes outstanding under the indenture have made a demand or given a notice or waiver or taken any other action, the outstanding principal amount of indexed notes will be deemed to be the stated principal amount of such notes.

The interest rate on an indexed rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of the State of New York. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that have an aggregate principal amount that is less than \$2,500,000.

An investment in indexed notes has significant risks, including wide fluctuations in value prior to maturity and in the amounts of payments due, that are not associated with a similar investment in a conventional debt security. Such risks depend on a number of factors including supply and demand for the particular index (or the components of the index, as applicable) to which the note is linked and economic and political events over which Citigroup Global Markets Holdings has no control. Fluctuations in the price or level of any index that have occurred in the past are not indicative of fluctuations that may occur during the term of any indexed notes.

Prospective investors should consult their own financial and legal advisors as to the risks of an investment in indexed notes.

## **Supplemental Provisions Relating to Non-U.S. Dollar Notes**

### *Public Offering Price*

The U.S. dollar equivalent of the public offering price or purchase price of a note having a specified currency other than U.S. dollars will be determined on the basis of the market exchange rate. Unless otherwise specified in connection with a particular offering of notes, this market exchange rate will be the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York for such specified currency on the applicable issue date. Such determination will be made by Citigroup Global Markets Holdings or its agent, as the exchange rate agent for the applicable offering of notes.

### *Payment of Principal and Interest*

The applicable supplement for a note may provide that Citigroup Global Markets Holdings will make one or more payments on such note in a currency other than U.S. dollars. If the applicable supplement provides for payment in a currency other than U.S. dollars and the note is held by DTC as a global security, Citigroup Global Markets Holdings will, unless otherwise specified in the applicable supplement, arrange to convert all payments in respect of the note into U.S. dollars in the manner described in the following paragraph.



---

**Table of Contents**

Unless otherwise specified in connection with a particular offering of notes, the amount of any U.S. dollar payment on a note having a specified currency other than U.S. dollars that provides for payment in a currency other than U.S. dollars and that is held by DTC as a global security will be determined by the exchange rate agent:

based on the specified currency/U.S. dollar exchange rate prevailing at 11:00 a.m., London, England time, on the second exchange rate business day prior to the applicable payment date, or

if an exchange rate bid quotation is not so available, the exchange rate agent will obtain a bid quotation from a leading foreign exchange bank in London, England selected by the exchange rate agent after consultation with Citigroup Global Markets Holdings.

The exchange rate agent will also determine prior to settlement the aggregate amount of the specified currency payable on a payment date for all notes denominated and payable in the specified currency. All currency exchange costs will be deducted from payments to the holders of the notes. If no such bid quotations are available, the payments will be made in the specified currency, unless the specified currency is unavailable due to the imposition of exchange controls or due to other circumstances beyond Citigroup Global Markets Holdings' control.

Except as set forth below, if payment on a note is required to be made in a specified currency other than U.S. dollars and such currency is

unavailable due to the imposition of exchange controls or other circumstances beyond Citigroup Global Markets Holdings' control;

no longer used by the government of the country issuing such currency; or

no longer used for the settlement of transactions by public institutions of the international banking community then all payments on such note will be made in U.S. dollars until such currency is again available or so used. The amounts so payable on any date in such currency shall be converted into U.S. dollars on the basis of the most recently available market exchange rate for such currency or as otherwise indicated in the applicable supplement. Any payment on such note made under such circumstances in U.S. dollars will not constitute a default or an event of default under the indenture under which such note was issued.

If the specified currency of a note is officially redenominated, other than as a result of the European Monetary Union, such as by an official redenomination of any such specified currency that is a composite currency, then the payment obligations of Citigroup Global Markets Holdings on such note will be the amount of redenominated currency that represents the amount of Citigroup Global Markets Holdings' obligations immediately before the redenomination. The notes will not provide for any adjustment to any amount payable under such notes as a result of:

any change in the value of the specified currency of such 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 such composite currency is itself officially redenominated.

For a description of the European Monetary Union, see European Monetary Union in the accompanying prospectus and any disclosure on the European Monetary Union in an applicable supplement.

Currently, there are limited facilities in the United States for conversion of U.S. dollars into foreign currencies, and vice versa. In addition, banks do not generally offer non-U.S. dollar-denominated checking or savings account facilities in the United States. Accordingly, payments on notes made in a currency other than U.S. dollars will be made from an account at a bank located outside the United States, unless otherwise specified in the applicable supplement.

**Table of Contents**

Each note that has a specified currency of pounds sterling will mature in compliance with the regulations the Bank of England may promulgate from time to time.

*Alternative Book-Entry Procedures and Settlement*

If Citigroup Global Markets Holdings issues notes which provide for one or more payments to be made in a non-U.S. currency, the applicable supplement may specify that such notes will be cleared through Euroclear Bank S.A./N.V. ( Euroclear ) and Clearstream Banking, société anonyme, Luxembourg ( Clearstream ), rather than through DTC. Such notes may be issued either under the New Safekeeping Structure (the NSS ) or the Classic Safekeeping Structure (the CSS ). Notes issued under the NSS will be registered in the name of a nominee of a common safekeeper for Euroclear and Clearstream. Notes issued under the CSS will be registered in the name of a nominee of a common depository. Such common safekeeper or common depository, as applicable, will be the depository for such notes. The European Central Bank has announced that notes issued under the NSS will be in compliance with the Standards for the use of EU securities settlement systems in ESCB credit operations of the Eurosystem, provided that certain other criteria are fulfilled. If such other eligibility criteria are fulfilled, notes issued under the NSS will be eligible to be pledged as collateral in Eurosystem operations ( Eurosystem eligible ). Notes issued under the CSS will not be Eurosystem eligible.

**Supplemental Provisions Relating to Floating Rate Notes**

Each floating rate note will bear interest at the interest rate set forth, or otherwise described, in the applicable supplement. An interest period is the period from each interest reset date to, but not including, the following interest reset date; provided that the initial interest period is the period from the original issue date to, but not including, the first interest reset date. Unless otherwise specified in the applicable supplement, each interest payment date for a floating rate note will be an interest reset date for that note.

The interest rate for each floating rate note will be determined based on a simple per annum, interest rate basis and will be equal to, the base rate, plus or minus any spread, or multiplied by any spread multiplier. A basis point, or bp, equals one-hundredth of a percentage point. The spread is the number of basis points specified in the applicable supplement. The spread multiplier is the percentage specified in the applicable supplement and the spread or spread multiplier on floating rate notes may be adjusted from time to time.

As specified in the applicable supplement, a floating rate note may have either or both of the following, which will be expressed as a rate per annum on a simple interest rate basis:

maximum interest rate, which will be a maximum limitation, or ceiling, on the rate at which interest may accrue during any interest period; and/or

minimum interest rate, which will be a minimum limitation, or floor, on the rate at which interest may accrue during any interest period.

In addition to any maximum interest rate that may be applicable to any floating rate note, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by applicable law. The notes will be governed by the law of the State of New York. As of the date of this prospectus supplement, the maximum rate of interest under provisions of the New York penal law, with a few exceptions, is 25% per annum on a simple interest basis. Such maximum rate of interest only applies to obligations that have an aggregate principal amount that is less than

\$2,500,000.

*Additional Base Rates*

The interest rate on each floating rate note will be reset on an interest reset date, which means that the interest rate is reset daily, weekly, monthly, quarterly, semiannually or annually, as specified in the applicable supplement.

S-10

## **Table of Contents**

Unless otherwise specified in the applicable supplement:

if an interest reset date for any floating rate note would fall on a day that is not a business day, such interest reset date will be postponed to the next succeeding business day.

in the case of a LIBOR note or a EURIBOR note, if postponement to the next business day would cause the interest reset date to be in the next succeeding calendar month, the interest reset date will instead be the immediately preceding business day.

if an auction of direct obligations of United States Treasury bills falls on a day that is an interest reset date for Treasury Rate notes, the interest reset date will be the succeeding business day.

Unless otherwise specified in the applicable supplement and except as set forth below, the rate of interest that goes into effect on any interest reset date will be determined on an interest determination date preceding such interest reset date, as further described in the applicable supplement.

Unless otherwise specified in the applicable supplement, interest payable on floating rate notes will be the interest accrued from and including the original issue date or the last date to which interest has been paid, as the case may be, to but excluding the applicable interest payment date.

Accrued interest on a floating rate note with more than one interest reset date will be calculated by multiplying the principal amount of the note by an accrued interest factor. If the floating rate note is an indexed note, the stated principal amount of the note will be multiplied by the accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which accrued interest is being calculated. The interest factor for each such day will be computed by dividing the interest rate in effect on such day by the number of days specified in the applicable pricing supplement. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any interest reset date will be the applicable rate as reset on such date.

For all other floating rate notes, accrued interest will be calculated by multiplying the principal amount of the note by the interest rate in effect during the period for which accrued interest is being calculated. That product is then multiplied by the quotient obtained by dividing the number of days in the period for which accrued interest is being calculated by the number of days specified in the applicable pricing supplement.

Upon the request of the holder of any floating rate note, the calculation agent for such note will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next interest reset date for such floating rate note.

## **No Securities Exchange Listing**

Unless otherwise specified in connection with a particular offering of debt securities, the notes will not be listed on any securities exchange.

## **Combination of Provisions**

If so specified in the applicable supplement, any note may be required to comply with all of the provisions, or any combination of the provisions, described herein or in the accompanying prospectus.

**Optional Redemption, Repayment and Repurchase**

If so specified in the applicable supplement relating to a note, such note can be redeemed at the option of Citigroup Global Markets Holdings, in whole or in part, prior to its stated maturity. If applicable, such supplement will also indicate (1) the optional redemption date or dates on which such note may be redeemed and (2) the redemption price at which such note may be redeemed on each such optional redemption date.

---

**Table of Contents**

Unless otherwise specified in connection with a particular offering of notes, at least 35 days prior to the date of redemption, Citigroup Global Markets Holdings will provide notice of such redemption to the trustee, and we or the trustee (at our request) will provide notice of such redemption to the holder of such note (which shall be the depository for so long as the notes are held in book-entry form) in accordance with Description of Debt Securities Book Entry Procedures and Settlement Notices in the accompanying prospectus. Unless otherwise specified in connection with a particular offering of notes, Citigroup Global Markets Holdings may exercise such option relating to a redemption of a note in part only by notifying the trustee for such note at least 35 days prior to any optional redemption date. In the event of redemption of a note in part only, a new note or notes for the unredeemed portion of such note or notes will be issued to the holder of such note or notes upon the cancellation of such note or notes.

If so specified in the applicable supplement relating to a note, the holder of such note will have the option to elect repayment of such note by Citigroup Global Markets Holdings prior to its stated maturity. If applicable, such supplement will specify (1) the optional repayment date or dates on which such note may be repaid and (2) the optional repayment price at which such note may be repaid on each such optional repayment date.

Subject to the terms set forth in the applicable supplement, in order for a note to be repaid, the trustee must receive, at least 35 days prior to an optional repayment date:

- (1) such note with the form entitled Option to Elect Repayment on the reverse of such note duly completed; or
- (2) a telegram, telex, facsimile transmission, electronic mail correspondence or letter from a member of a national securities exchange or the Financial Industry Regulatory Authority, Inc. or a commercial bank or trust company in the United States setting forth:

the name of the holder of such note;

the principal amount of such note to be repaid;

the certificate number or a description of the tenor and terms of such note; and

a statement that the option to elect repayment is being exercised.

Any tender of a note by the holder for repayment, except pursuant to a reset notice or an extension notice, will be irrevocable. The repayment option may be exercised by the holder of a note for less than the entire principal amount of such note, provided, that the stated principal amount of such note remaining outstanding after repayment is an authorized denomination. Upon such partial repayment, such note will be canceled and a new note or notes for the remaining stated principal amount will be issued in the name of the holder of such repaid note.

If a note is represented by a global security, the depository's nominee will be the holder of such note and, therefore, will be the only entity that can exercise a right to repayment. In order to ensure that the depository's nominee will timely exercise a right to repayment relating to a particular note, the beneficial owner of such note must instruct the broker or other direct or indirect participant through which it holds an interest in such note to notify the depository of

its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to the depository.

Except in the case of an optional redemption by Citigroup Global Markets Holdings at a stated redemption price provided for in the applicable supplement, if Citigroup Global Markets Holdings redeems or repays a note that is an OID note other than an indexed note prior to its stated maturity, then Citigroup Global Markets Holdings will pay the amortized principal amount of the note as of the date of redemption or repayment regardless of anything else stated in this prospectus supplement or the accompanying prospectus.

**Table of Contents**

The amortized principal amount of a note on any date means the amount equal to:

the issue price set forth in the applicable supplement plus

that portion of the difference between the issue price and the principal amount of the note that has accrued by that date at

- (1) the bond yield to maturity set forth in the applicable supplement, or
- (2) if so specified in the applicable supplement, the bond yield to call set forth therein.

These computations will be made in accordance with generally accepted United States bond yield computation principles. However, the amortized principal amount of a note will never exceed its principal amount. The bond yield to call listed in an applicable supplement will be computed on the basis of:

the first occurring optional redemption date with respect to such note; and

the amount payable on such optional redemption date.

In the event that any such note is not redeemed on such first occurring optional redemption date, the bond yield to call that applies to such note will be recomputed on such optional redemption date on the basis of (1) the next occurring optional redemption date and (2) the amount payable on such optional redemption date. The bond yield to call will continue to be so recomputed on each succeeding optional redemption date until the note is so redeemed.

Citigroup Global Markets Holdings or any of its affiliates may at any time purchase notes at any price in the open market or otherwise. Notes so purchased by Citigroup Global Markets Holdings or any of its affiliates may, at the discretion of Citigroup Global Markets Holdings, be held, resold or surrendered to the trustee for such notes for cancellation.

**Other Provisions**

The terms in the applicable supplement may modify any provisions relating to:

the determination of an interest rate basis;

the specification of an interest rate basis;

calculation of the interest rate applicable to, or the amount payable at maturity on, any note;



interest payment dates; or

any other matters.

**Defeasance**

The defeasance provisions described in Description of Debt Securities Defeasance in the accompanying prospectus will not apply to the notes, unless otherwise specified in the applicable supplement.

S-13

**Table of Contents**

**UNITED STATES FEDERAL TAX CONSIDERATIONS**

The following is a discussion of the material U.S. federal income and certain estate tax consequences of the ownership and disposition of the notes. It applies to you only if you hold the notes as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code). It does not address all of the tax consequences that may be relevant to you in light of your particular circumstances or if you are a holder subject to special rules, such as:

a financial institution;

a regulated investment company ;

a tax-exempt entity, including an individual retirement account or Roth IRA ;

a dealer or trader subject to a mark-to-market method of tax accounting with respect to the notes;

a person holding a note as part of a straddle or conversion transaction or one who enters into a constructive sale with respect to a note;

a person subject to the alternative minimum tax;

a U.S. Holder (as defined below) whose functional currency is not the U.S. dollar; or

an entity classified as a partnership for U.S. federal income tax purposes.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds the notes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partnership holding the notes or a partner in such a partnership, you should consult your tax adviser as to the particular U.S. federal tax consequences of holding and disposing of the notes to you.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not address the effects of any applicable state, local or non-U.S. tax laws or the potential application of the Medicare contribution tax. You should consult your tax adviser about the application of the U.S. federal income and estate tax laws to your particular situation (including the possibility of alternative treatments of the notes), as well as any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction.

**Tax Treatment of the Notes**

## Edgar Filing: CITIGROUP INC - Form S-3

This discussion applies to notes that we treat as debt instruments for U.S. federal income tax purposes. The U.S. federal income tax treatment of other notes will be addressed in the applicable supplement.

With respect to notes with a term of longer than one year (calculated as described below), the applicable supplement will specify whether we intend to treat these notes as variable rate debt instruments or as contingent payment debt instruments for U.S. federal income tax purposes.

This discussion assumes that the notes do not provide for payments determined by reference to equity securities. The treatment of such notes will be addressed in the applicable supplement.

This disclosure generally applies to notes that provide for payments solely in cash. Special tax consequences may apply to notes that provide for one or more payments in property other than cash, and those consequences will be addressed in the applicable supplement.

The discussion herein is subject to, and should be read in conjunction with, any discussion contained in the applicable supplement.

**Table of Contents****Tax Consequences to U.S. Holders**

This section applies only to U.S. Holders. You are a U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of the notes that is:

a citizen or individual resident of the United States;

a corporation created or organized in or under the laws of the United States, any state therein or the District of Columbia; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source. Legislation enacted in 2017 modified the rules regarding the timing of income to be recognized by accrual method taxpayers. Under this legislation, if you are an accrual method taxpayer, notwithstanding the discussion below, you may be required to include original issue discount and other income on a note no later than the relevant item is taken into account as revenue in an applicable financial statement. You should consult your tax adviser concerning the application of these rules in your particular situation.

The discussion below is subject to the discussion under Assumption by Citigroup and should be read in conjunction therewith.

***Payments of Interest***

Qualified stated interest (as described below under Original Issue Discount ) on a note generally will be taxable to you as ordinary interest income at the time it accrues or is received in accordance with your method of accounting for U.S. federal income tax purposes.

Special rules governing the treatment of interest income on certain categories of notes are described below under Original Issue Discount, Short-Term Notes, Notes Treated as Variable Rate Debt Instruments, Notes Treated as Contingent Payment Debt Instruments, and Foreign Currency Notes.

***Original Issue Discount***

A note that has an issue price that is less than its stated redemption price at maturity will be considered to have been issued with original issue discount (OID) for U.S. federal income tax purposes (an OID note) unless the note satisfies a *de minimis* threshold under applicable Treasury regulations. Special rules governing the tax treatment of short-term notes and contingent payment debt instruments (which are not OID notes for purposes of this discussion) are described below under Short-Term Notes, and Notes Treated as Contingent Payment Debt Instruments, respectively. The amount of OID will be equal to the excess of the stated redemption price at maturity over the issue price. The issue price of a note will be the first price at which a substantial amount of the notes in an issue is sold to the public (not including sales 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 generally will equal the sum of all payments required under the note other than payments of qualified stated interest. Qualified stated interest (QSI) generally includes stated interest unconditionally payable (other than in debt instruments of the issuer) at least annually at a single fixed rate, and also includes stated interest on certain floating-rate notes (as described under

Notes Treated as Variable Rate Debt Instruments (below). If a note provides for more than one fixed rate of stated interest, interest payable at the lowest stated rate generally is QSI, with any excess included in the stated redemption price at maturity for purposes of determining whether the note was issued with OID.

If the difference between a note's stated redemption price at maturity and its issue price is less than a *de minimis* amount as determined under applicable Treasury regulations, the note will not be treated as issued with OID and therefore will not be subject to the rules described below. If you hold notes with less than a *de minimis* amount of OID, (i) all stated interest on the notes will generally be treated as QSI and (ii) you generally will include any remaining discount in income, as capital gain, on a pro rata basis as principal payments are made on the note.

---

**Table of Contents**

If you hold OID notes, you will be required to include any QSI in income when received or accrued, in accordance with your method of accounting for U.S. federal income tax purposes. In addition, you will be required to include OID in income as it accrues, in accordance with a constant-yield method based on a compounding of interest, regardless of your method of tax accounting.

You may make an election to include in gross income all interest that accrues on any note (including stated interest, OID, *de minimis* OID, market discount and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium, as described below) in accordance with the constant-yield method based on the compounding of interest (a constant-yield election). This election may be revoked only with the consent of the Internal Revenue Service (the IRS).

A note that is subject to early redemption may be governed by rules that differ from the general rules described above for purposes of determining its yield and maturity (which may affect whether the note is treated as issued with OID and, if so, the timing of accrual of the OID). Under applicable Treasury regulations, we will generally be presumed to exercise an option to redeem a note if the exercise of the option would lower the yield on the note. Conversely, you will generally be presumed to exercise an option to require us to repurchase a note if the exercise of the option would increase the yield on the note. If such an option were not in fact exercised, the note would be treated, solely for purposes of calculating OID, as if it were redeemed and a new note were issued on the presumed exercise date for an amount equal to the note's adjusted issue price on that date. If such a deemed reissuance occurs when the remaining term of the notes is one year or less, it is possible that the note would thereafter be treated as a short-term debt instrument. See Short-Term Notes below. A note's adjusted issue price is its issue price increased by the amount of previously includable OID and decreased by the amount of any prior payments on the note that do not constitute QSI.

***Market Discount***

If you purchase a note (other than a short-term note or contingent payment debt instrument) for an amount that is less than its stated redemption price at maturity or, in the case of an OID note, its adjusted issue price, the amount of the difference will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified *de minimis* amount.

If a note has market discount, you will be required to treat any principal payment (or, in the case of an OID note, any payment that does not constitute QSI) on, or any gain on a sale or other taxable disposition of, a note as ordinary income to the extent of the market discount accrued on the note at that time, unless this market discount has been previously included in income pursuant to an election to include market discount in income as it accrues (a market discount accrual election), or pursuant to the constant-yield election described under Original Issue Discount above. If you dispose of a note in one of certain nontaxable transactions, accrued market discount will be includible as ordinary income as if you had sold the note in a taxable transaction at its then fair market value. Unless you make a market discount accrual election, you generally will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry the notes in an amount not exceeding the accrued market discount until the accrued market discount is included in income.

If you make a market discount accrual election, that election will apply to all market discount bonds acquired by you on or after the first day of the first taxable year to which that election applies. If you make a constant-yield election (as described under Original Issue Discount above) with respect to a market discount note, that election will result in a deemed market discount accrual election for the taxable year in which you acquired the note and all succeeding years.

***Acquisition Premium and Amortizable Bond Premium***

If you purchase an OID note for an amount that is greater than the note's adjusted issue price but less than or equal to the sum of all amounts payable on the note after the purchase date, other than payments of QSI, you will

S-16

---

**Table of Contents**

be considered to have purchased the note with acquisition premium. Under the acquisition premium rules, the amount of OID that you must include in your gross income with respect to the note for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

If you purchase a note (other than a contingent payment debt instrument) for an amount that is greater than the sum of all amounts payable on the note after the purchase date, other than payments of QSI, you generally will be considered to have purchased the note with amortizable bond premium equal to such excess. If the note is not optionally redeemable prior to its maturity date, you generally may elect to amortize this premium over the remaining term of the note using a constant-yield method. If, however, the note may be optionally redeemed prior to maturity after you have acquired it, the amount of amortizable bond premium is generally determined by substituting the redemption date for the maturity date and the redemption price for the amount payable at maturity but only if the substitution results in a smaller amount of premium attributable to the period before the redemption date. You may generally use the amortizable bond premium allocable to an accrual period to offset QSI required to be included in your income with respect to the note in that accrual period. In addition, if you have purchased an OID note with amortizable bond premium, you will not be required to accrue any OID on such note. If you elect to amortize bond premium, you must reduce your tax basis in the note by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt instruments then owned or thereafter acquired and may be revoked only with the consent of the IRS.

If you make a constant-yield election (as described under **Original Issue Discount** above) for a note with amortizable bond premium, that election will result in a deemed election to amortize bond premium for all of your debt instruments with amortizable bond premium.

***Sale or Other Taxable Disposition of a Note***

Upon a sale or other taxable disposition of a note, you will recognize taxable gain or loss equal to the difference between the amount realized and your tax basis in the note. For this purpose, the amount realized does not include any amount attributable to accrued but unpaid QSI, which will be treated as a payment of interest and taxed as described under **Payments of Interest** above. Your tax basis in a note will equal its cost, increased by the amounts of any OID and market discount you have previously accrued with respect to the note, if any, and decreased by any amortized premium and any principal payments you received prior to the sale or other taxable disposition of a note and by the amount of any other payments on the note that do not constitute QSI.

Gain or loss realized upon the sale or other taxable disposition of a note will be capital gain or loss and will be long-term capital gain or loss if you have held the note for more than one year. The deductibility of capital losses is subject to limitations. Exceptions to these general rules apply to short-term notes, notes with market discount, contingent payment debt instruments and foreign currency notes. See **Market Discount** above, and **Short-Term Notes** and **Notes Treated as Contingent Payment Debt Instruments** and **Foreign Currency Notes** below.

***Short-Term Notes***

The following discussion applies only to short-term notes, *i.e.*, notes with a term of one year or less (from but excluding the issue date to and including the last possible date that the notes could be outstanding pursuant to their terms). Generally, a short-term note is treated as issued at a discount equal to the sum of all payments required on the note minus its issue price.

If you are a cash-method U.S. Holder, you generally will not be required to recognize income with respect to a short-term note prior to maturity, other than with respect to the receipt of interest payments, if any, or pursuant to a



sale or other taxable disposition of the note. If you are an accrual-method U.S. Holder (or a cash-method U.S. Holder who elects to accrue income on the note currently), you will be subject to rules that generally require accrual of discount on short-term notes on a straight-line basis, unless you elect a constant-yield

**Table of Contents**

method of accrual based on daily compounding. It is not clear whether or how any accrual should be determined prior to the relevant determination date(s) in respect of a contingent payment. You should consult your tax adviser regarding the amount and timing of any accruals on such notes.

Upon a sale or other taxable disposition of a short-term note, you will recognize gain or loss equal to the difference between the amount received and your tax basis in the note. Your tax basis in the note should equal the amount you paid to acquire the note increased, if you accrue income on the notes currently, by any previously accrued but unpaid discount. The amount of any resulting loss generally will be treated as a short-term capital loss, the deductibility of which is subject to limitations. The excess of the amount received at maturity over your tax basis in the note generally should be treated as ordinary income. If you sell a short-term note providing for a contingent return at maturity prior to the time the contingent return has been fixed, it is not clear whether any gain you recognize should be treated as ordinary income, short-term capital gain, or a combination of ordinary income and short-term capital gain. You should consult your tax adviser regarding the treatment of short-term notes providing for contingent payments.

If you are a cash-method U.S. Holder, unless you make the election to accrue income currently on a short-term note, you generally will be required to defer deductions for interest paid on indebtedness incurred to purchase or carry the note in an amount not exceeding the accrued discount that you have not included in income. As discussed above, it is unclear whether or how accrual of discount should be determined prior to the relevant determination date(s) in respect of a contingent payment. If you make the election to accrue income currently, that election will apply to all short-term notes acquired by you on or after the first day of the first taxable year to which that election applies. You should consult your tax adviser regarding these rules.

***Notes Treated as Variable Rate Debt Instruments***

The following discussion applies only to floating-rate notes that are treated as variable rate debt instruments for U.S. federal income tax purposes ( VRDIs ).

*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 QSI and will be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of tax accounting. If the stated principal amount of a Single Rate VRDI exceeds its issue price by at least a specified *de minimis* amount, this excess will be treated as OID that you must include in income as it accrues in accordance with a constant-yield method based on compounding of interest before the receipt of cash payments attributable to this income (as described above under Original Issue Discount ). If a VRDI 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 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%), the two rates will be treated for purposes of this and the next paragraph as a single variable rate.

*Interest on VRDIs That Provide for Multiple Rates.* We will refer to VRDIs that provide for (i) multiple variable rates or (ii) one or more variable rates and a single fixed rate as Multiple Rate VRDIs. Under applicable Treasury regulations, in order to determine the amount of QSI and OID in respect of Multiple Rate VRDIs, an equivalent fixed-rate debt instrument must be constructed. The equivalent fixed-rate debt instrument is constructed in the following manner: (i) first, 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) second, each variable rate (including a variable rate determined under (i) above) is converted to a fixed rate substitute (which will generally 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 and the timing of accrual of any OID. You will be required to include the OID in income for 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

S-18

---

**Table of Contents**

Discount. QSI on a Multiple Rate VRDI will generally be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of tax accounting. If a Multiple Rate VRDI is not issued with OID, all stated interest on the Multiple Rate VRDI will be treated as QSI.

If the amount of interest you receive in a calendar year is greater than the interest assumed to be paid or accrued under the equivalent fixed-rate debt instrument, the excess is generally treated as additional QSI taxable to you as ordinary income. Otherwise, any difference will generally reduce the amount of QSI you are treated as receiving and will therefore reduce the amount of ordinary income you are required to take into income.

*Sale or Other Taxable Disposition of a VRDI.* Upon the sale or other taxable disposition of a VRDI, you generally will recognize capital gain or loss equal to the difference between the amount realized (other than amounts attributable to accrued but unpaid QSI, which will be treated as a payment of interest) and your tax basis in the VRDI. Your tax basis in a VRDI will equal the amount you paid to purchase the VRDI, increased by the amounts of OID (if any) you previously included in income with respect to the VRDI, and reduced by any payments other than QSI you received and any amortized premium. Subject to the discussion under Market Discount, your gain or loss generally will be long-term capital gain or loss if you held the VRDI for more than one year at the time of disposition.

***Notes Treated as Contingent Payment Debt Instruments***

The following discussion applies only to notes that are treated as contingent payment debt instruments for U.S. federal income tax purposes ( CPDIs ).

*Interest Accruals on the CPDIs.* We are required to determine a comparable yield for each issuance of CPDIs. The comparable yield is the yield at which we could issue a fixed-rate debt instrument with terms similar to those of the CPDIs, including the level of subordination, term, timing of payments and general market conditions, but excluding any adjustments for the riskiness of the contingencies or the liquidity of the CPDIs. Solely for purposes of determining the amount of interest income that you will be required to accrue, we are also required to construct a projected payment schedule in respect of the CPDIs representing a payment or a series of payments the amount and timing of which would produce a yield to maturity on the CPDIs equal to the comparable yield.

**Neither the comparable yield nor the projected payment schedule constitutes a representation by us regarding the actual amounts that we will pay on the CPDIs.**

For U.S. federal income tax purposes, you are required to use our determination of the comparable yield and projected payment schedule in determining interest accruals and adjustments in respect of the CPDIs, unless you timely disclose and justify the use of other estimates to the IRS. Regardless of your method of accounting for U.S. federal income tax purposes, you will be required to accrue as interest income OID on the CPDIs at the comparable yield, adjusted upward or downward to reflect the difference, if any, between the actual and the projected payments on the CPDIs during the year (as described below).

You will be required for U.S. federal income tax purposes to accrue an amount of OID, for each accrual period prior to and including the maturity (or earlier sale, exchange or retirement) of a CPDI, that equals the product of (i) the adjusted issue price of the CPDI (as defined below) as of the beginning of the accrual period, (ii) the comparable yield of the CPDI, adjusted for the length of the accrual period and (iii) the number of days during the accrual period that you held the CPDI divided by the number of days in the accrual period. For U.S. federal income tax purposes, the adjusted issue price of a CPDI is its issue price increased by any interest income you have previously accrued (determined without regard to adjustments due to differences between projected and actual payments) and decreased by the projected amounts of any payments previously made on the CPDI (without regard to actual amounts paid).



---

**Table of Contents**

*Adjustments to Interest Accruals on the CPDIs.* In addition to interest accrued based upon the comparable yield as described above, you will be required to recognize interest income equal to the amount of any net positive adjustment (*i.e.*, the excess of actual payments over projected payments) in respect of a CPDI for a taxable year. A net negative adjustment (*i.e.*, the excess of projected payments over actual payments) in respect of a CPDI for a taxable year:

will first reduce the amount of interest in respect of the CPDI that you would otherwise be required to include in income in the taxable year; and

to the extent of any excess, will give rise to an ordinary loss, but only to the extent that the amount of all previous interest inclusions under the CPDI exceeds the total amount of the net negative adjustments treated as ordinary loss on the CPDI in prior taxable years.

A net negative adjustment is not treated as a non-deductible miscellaneous itemized deduction under Section 67 of the Code. Any net negative adjustment in excess of the amounts described above may be carried forward to offset future interest income in respect of the CPDI or to reduce the amount realized on a sale, exchange or retirement of the CPDI.

*Purchase of CPDIs at a Price Other than the Adjusted Issue Price.* If you purchase a CPDI for an amount that differs from its adjusted issue price, the general rules discussed above under **Market Discount** and **Acquisition Premium and Amortizable Bond Premium** will not apply. Instead, you must reasonably determine the extent to which the difference between the price you paid for the CPDI and its adjusted issue price is attributable to a change in expectations as to the projected payment schedule, a change in interest rates, or both, and allocate the difference accordingly. If you purchase a CPDI for an amount that is less than its adjusted issue price, you must (i) make positive adjustments increasing the amount of interest you would otherwise accrue and include in income each year to the extent of amounts allocated to a change in interest rates as described above and/or (ii) make positive adjustments increasing the amount of ordinary income (or decreasing the amount of ordinary loss) that you would otherwise recognize upon the date of a projected payment to the extent of amounts allocated to a change in expectations as to the amount of that projected payment as described above. If you purchase a CPDI for an amount that is greater than its adjusted issue price, you must (i) make negative adjustments decreasing the amount of interest that you would otherwise accrue and include in income each year to the extent of amounts allocated to a change in interest rates as described above and/or (ii) make negative adjustments decreasing the amount of ordinary income (or increasing the amount of ordinary loss) that you would otherwise recognize upon the date of a projected payment to the extent of amounts allocated to a change in expectations as to the amount of that projected payment as described above. Adjustments allocated to the interest amount are made on the date the daily portion of interest accrues.

*Sale or Other Taxable Disposition of the CPDIs.* Upon a sale or other taxable disposition of a CPDI, you generally will recognize taxable income or loss equal to the difference between the proceeds received and your tax basis in the CPDI. Your tax basis in the CPDI will equal your purchase price for the CPDI, increased by any interest income you have previously accrued (determined with regard to any adjustments made because you purchased the CPDI at more or less than its adjusted issue price but without regard to adjustments due to differences between projected and actual payments) and decreased by the projected amounts of any payments previously made on the CPDI (without regard to actual amounts paid). At maturity, you will be treated as receiving the projected amount for that date (reduced by any carryforward of a net negative adjustment), and any difference between the amount actually received and that projected amount will be treated as a positive or negative adjustment governed by the rules described above under

*Adjustments to Interest Accruals on the CPDIs.* You generally must treat any income 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. These ordinary losses are not treated

Edgar Filing: CITIGROUP INC - Form S-3

as non-deductible miscellaneous itemized deductions under Section 67 of the Code. The deductibility of capital losses, however, is subject to limitations. Additionally, if you recognize a loss above certain thresholds, you may be required to file a disclosure statement with the IRS. You should consult your tax adviser regarding this reporting obligation.

S-20

---

**Table of Contents**

*Special Rules Relating to Fixing of Payments.* Special rules may apply if all the remaining payments on a CPDI become fixed substantially contemporaneously. For this purpose, payments will be treated as fixed if the remaining contingencies with respect to them are remote or incidental. Under these rules, you would be required to account for the difference between the originally projected payments and the fixed payments in a reasonable manner over the period to which the difference relates. In addition, you would be required to make adjustments to, among other things, your accrual periods and your tax basis in the CPDI. The character of any gain or loss on a sale or exchange of your CPDI also might be affected. If one or more (but not all) contingent payments on a CPDI became fixed more than six months prior to the relevant payment date(s), you would be required to account for the difference between the originally projected payment(s) and the fixed payment(s) on a present value basis. You should consult your tax adviser regarding the application of these rules.

***Foreign Currency Notes***

*General.* The following discussion describes certain special rules applicable to you if you hold notes that are denominated in a single specified currency other than the U.S. dollar or the payments of interest and principal on which are payable in (or determined by reference to) a single specified currency other than the U.S. dollar, which we refer to as foreign currency notes. This discussion does not address currency-linked notes or foreign currency notes that provide for contingent payments or payments in or by reference to multiple currencies, which will be discussed in the applicable supplement.

The rules applicable to notes that are denominated in a currency other than the U.S. dollar could require some or all of the gain or loss realized upon a sale or other taxable disposition of the notes that is attributable to fluctuations in currency exchange rates ( foreign currency gain or loss ) to be treated as ordinary income or loss. The rules applicable to foreign currency notes are complex, and their application may depend on your particular U.S. federal income tax situation. For example, various elections are available under these rules, and whether you should make any of these elections may depend on your particular U.S. federal income tax situation. You should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of foreign currency notes.

*Payments of Interest on Foreign Currency Notes.* If you use the cash method of accounting for U.S. federal income tax purposes and receive a payment of QSI (or proceeds from a sale or other taxable disposition attributable to accrued QSI) in a foreign currency with respect to a foreign currency note, you will be required to include in income the U.S. dollar value of the foreign currency payment (determined based on a spot rate on the date the payment is received) regardless of whether the payment is in fact converted to U.S. dollars at that time, and this U.S. dollar value will be your tax basis in the foreign currency received. If you are a cash method holder and you receive a payment of QSI in U.S. dollars, you should include the amount of this payment in income upon receipt. If you are a cash method holder and you are required to accrue OID on a foreign currency note, rules similar to the rules described in the following paragraph will apply with respect to the OID.

If you use the accrual method of accounting for U.S. federal income tax purposes, you will be required to include in income the U.S. dollar value of the amount of interest income (including OID, but reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency note during an accrual period. The U.S. dollar value of the accrued income will be determined by translating the income at an average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. In addition to the interest income accrued as described above, you will recognize foreign currency gain or loss as ordinary income or loss (which will not be treated as interest income or expense) with respect to accrued interest income on the date the interest payment or proceeds from the sale, exchange or other disposition attributable to accrued interest (or OID) is actually received. The amount of foreign currency gain or loss recognized will equal the difference between the U.S.



dollar value of the foreign currency payment received (determined based on a spot rate on the date the payment is received) in respect of the accrual period (or, where you receive U.S. dollars, the amount of the payment in respect of the accrual period) and the U.S. dollar value of

S-21

---

**Table of Contents**

interest income that has accrued during the accrual period (as determined above). You may elect to translate interest income (including OID) for an interest accrual period into U.S. dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, the last day of the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, the spot rate on the date of receipt. You must apply this election consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

*Amortizable Bond Premium and Market Discount on Foreign Currency Notes.* Amortizable bond premium and market discount (each as defined above) on a foreign currency note are determined in the relevant foreign currency. In general, accrued market discount is translated into U.S. dollars at the spot rate on the date of disposition of the foreign currency note. However, if you elect to include market discount in income currently, the amount of market discount will be determined for any accrual period in the relevant foreign currency and then translated into U.S. dollars on the basis of the average exchange rate during the accrual period. In that event, in addition to the income accrued as described above, you will recognize foreign currency gain or loss in accordance with the rules relating to accrued interest described in the paragraph immediately above.

If you elect to amortize bond premium, amortizable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. You will realize foreign currency gain or loss with respect to amortized bond premium with respect to any period by treating that amortized bond premium in the same manner as a return of principal on the sale or other taxable disposition of a foreign currency note (as discussed below). Any foreign currency gain or loss will be ordinary income or loss, as described below. If the election is not made, any loss realized on the sale, exchange or retirement of a foreign currency note will be capital loss to the extent of the bond premium.

*Tax Basis in Foreign Currency Notes.* Your tax basis in a foreign currency note, or the amount of any subsequent adjustment to your tax basis, will be the U.S. dollar value of the foreign currency amount paid for the note, or of the foreign currency amount of the adjustment, determined on the date of the purchase or adjustment. If you purchase a foreign currency note with previously owned foreign currency, you will recognize ordinary income or loss in an amount equal to the difference, if any, between your tax basis in the foreign currency and the U.S. dollar fair market value of the foreign currency note on the date of purchase.

*Sale or Other Taxable Disposition of Foreign Currency Notes.* Foreign currency gain or loss recognized upon the sale or other taxable disposition of a foreign currency note will be ordinary income or loss that is not treated as interest income or expense. The amount of foreign currency gain or loss generally will equal the difference between the U.S. dollar value of your purchase price (reduced by any bond premium previously amortized as described above) in the foreign currency of the note, (i) determined on the date the payment is received in exchange for the note or the note is disposed of, and (ii) determined on the date you acquired the note. Amounts attributable to accrued but unpaid interest will be treated as payments of interest on foreign currency notes as described above. Foreign currency gain or loss realized upon the sale or other taxable disposition of any foreign currency note will be recognized only to the extent of the total gain or loss realized on the sale or other taxable disposition of the foreign currency note. Any gain or loss realized in excess of the foreign currency gain or loss will be capital gain or loss (except to the extent of any accrued market discount or, in the case of a short-term note, to the extent of any discount not previously included in your income). If you recognize a loss upon a sale or other disposition of a foreign currency note above certain thresholds, you may be subject to certain reporting requirements.

If you are a cash-method taxpayer who buys or sells a foreign currency note that is traded on an established market, you will be required to translate units of foreign currency paid or received into U.S. dollars at the spot rate on the settlement date of the purchase or sale. Accordingly, no exchange gain or loss will result from currency fluctuations between the trade date and the settlement of the purchase or sale. If you are an accrual-method taxpayer, you may

elect the same treatment for all purchases and sales of foreign currency obligations traded on established securities markets. This election cannot be changed without the consent of the IRS. You

S-22

## **Table of Contents**

will have a tax basis in any foreign currency received on the sale or other taxable disposition of a foreign currency note equal to the U.S. dollar value of the foreign currency, determined at the time of the sale or other taxable disposition. Any gain or loss on a sale or other disposition of foreign currency (including its exchange for U.S. dollars or its use to purchase foreign currency notes) will be ordinary income or loss.

### **Tax Consequences to Non-U.S. Holders**

This section applies only to Non-U.S. Holders. You are a Non-U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of a note that is:

an individual who is classified as a nonresident alien;

a foreign corporation; or

a foreign estate or trust.

You are not a Non-U.S. Holder for purposes of this discussion if you are (i) an individual who is present in the United States for 183 days or more in the taxable year of disposition, or (ii) a former citizen or resident of the United States. If you are or may become such a person, you should consult your tax adviser regarding the U.S. federal tax consequences of an investment in the notes, including the issues discussed below, in light of your circumstances.

Subject to the discussion below regarding FATCA, you generally will not be subject to U.S. federal withholding or income tax in respect of payments on or amounts received on a sale or other taxable disposition of a note, provided that: (i) income in respect of the notes is not effectively connected with your conduct of a trade or business in the United States, and (ii) you provide an appropriate IRS Form W-8 to the applicable withholding agent certifying under penalties of perjury that you are not a United States person.

If you are engaged in a U.S. trade or business, and if income from the notes is effectively connected with your conduct of that trade or business, you generally will be subject to regular U.S. federal income tax with respect to that income in the same manner as if you were a U.S. Holder, subject to the provisions of an applicable income tax treaty provides. In that event, if you are a corporation, you should also consider the potential application of a 30% (or lower treaty rate) branch profits tax.

### ***U.S. Federal Estate Tax***

If you are 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), you should note that, absent an applicable treaty exemption, a note that is treated as a debt obligation for U.S. federal estate tax purposes generally will 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 have been subject to U.S. federal withholding or income tax (even if the IRS Form W-8 certification requirement described above were satisfied and not taking into account the elimination of such U.S. federal withholding tax due to the application of an income tax treaty). If you are such an individual or entity, you should consult your tax adviser regarding the U.S. federal estate tax consequences of an investment in the notes.

**Information Reporting and Backup Withholding**

Payments on the notes, and the proceeds of a sale, exchange or other disposition of the notes, may be subject to information reporting and, if you fail to provide certain identifying information (such as an accurate taxpayer identification number if you are a U.S. Holder) or meet certain other conditions, may also be subject to backup withholding at the rate specified in the Code. If you are a Non-U.S. Holder that provides an appropriate IRS

S-23

## **Table of Contents**

Form W-8, you will generally establish an exemption from backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the relevant information is timely furnished to the IRS.

### **Assumption by Citigroup**

As provided in the accompanying prospectus under *Description of Debt Securities – Citigroup Guarantees*, our obligations under the notes may be assumed by Citigroup. We intend that Citigroup will assume the notes pursuant to this provision only in circumstances in which we expect to treat such an assumption as not giving rise to a taxable modification of the notes and have been advised by our counsel that such treatment is reasonable under the circumstances and the law in effect at the time of such assumption. However, in light of the lack of clear authority regarding the treatment of such an assumption, there may be uncertainty regarding the correctness of this treatment. As a result, it is possible that the IRS may treat an assumption of the notes as a taxable modification, in which case the timing and character of income recognized with respect to the notes after the assumption could be affected significantly, depending on circumstances at the time of the assumption. Moreover, a U.S. Holder would generally be required to recognize gain (if any) with respect to the notes at the time of the assumption in the same manner as described above in respect of a sale or other taxable disposition of the notes. You should consult your tax adviser regarding the consequences of an assumption of the notes.

### **FATCA**

Legislation commonly referred to as *FATCA* generally imposes a withholding tax of 30% on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. This legislation generally applies to interest on the notes and, for dispositions of notes after December 31, 2018, to payments of gross proceeds of the disposition. If withholding applies to the notes, we will not be required to pay any additional amounts with respect to amounts withheld. You should consult your tax adviser regarding *FATCA*, including the availability of certain refunds or credits.

---

**Table of Contents**

**PLAN OF DISTRIBUTION**

The notes are being offered on a continuous basis by Citigroup Global Markets Holdings through Citigroup Global Markets Inc., as lead agent, and may be offered through additional or other agents named in the applicable supplement. The agent or agents participating in a particular offering of the notes and named in the applicable supplement are collectively referred to as the agent. The agent has agreed to use reasonable efforts to solicit orders to purchase notes. Citigroup Global Markets Holdings will have the sole right to accept orders to purchase notes and may reject proposed purchases in whole or in part. The agent will also have the right to reject any proposed purchase in whole or in part. Citigroup Global Markets Holdings reserves the right to withdraw, cancel or modify the offer made by this prospectus supplement, the accompanying prospectus or any other supplement without notice.

Unless otherwise specified in connection with a particular offering of notes, the agent, acting as principal, will purchase the aggregate stated principal amount of the notes offered at the public offering price stated in the applicable supplement less an underwriting discount stated in the applicable supplement. The agent may sell the notes to the public at the public offering price or to selected dealers, which may include affiliates of ours and/or the agent, at the public offering price less a selling concession described in the applicable supplement. If so specified in the applicable supplement, the agent may sell the notes to the public or to selected dealers at varying prices to be determined at the time of each sale, which may be at prevailing market prices, at prices related to such prevailing prices or at negotiated prices. After any initial public offering of notes to be resold to purchasers at a fixed public offering price, the public offering price and any concession or discount may be changed.

Citigroup Global Markets Holdings reserves the right to sell notes directly to investors on its own behalf. No commission will be payable nor will a discount be allowed on any sales made directly by Citigroup Global Markets Holdings.

Unless notes are issued upon the reopening of a prior offering of notes that were listed on an exchange, no note will have an established trading market when issued. Unless otherwise specified in connection with a particular offering of notes, the notes will not be listed on any securities exchange. The agent may make a market in the notes but is not obligated to do so. If the agent does make a market for a period of time, it may discontinue any market-making at any time without notice, at its sole discretion. There can be no assurance of the existence or liquidity of a secondary market for any notes.

Citigroup Global Markets Holdings estimates that its printing, rating agency, trustees and legal fees and other expenses allocable to the offering of the notes, excluding underwriting discounts and commissions, will be approximately \$4,500,000.

The agent may be deemed to be an underwriter within the meaning of the Securities Act of 1933. Citigroup Global Markets Holdings has agreed to indemnify the agent against liabilities relating to material misstatements and omissions, or to contribute to payments that the agent may be required to make relating to these liabilities. Citigroup Global Markets Holdings will reimburse the agent for customary legal and other expenses incurred by it in connection with the offer and sale of the notes.

Unless otherwise specified in connection with a particular offering of notes, payment of the purchase price of the notes will be required to be made in immediately available funds in New York City on the date of settlement.

Concurrently with the offering of notes through the agent as described in this prospectus supplement, Citigroup Global Markets Holdings may issue other securities under the indenture referred to in the accompanying prospectus.

A portion of the net proceeds from the sale of indexed notes or floating rate notes may be used to hedge Citigroup Global Markets Holdings obligations under the notes. Citigroup Global Markets Holdings may hedge

S-25



---

**Table of Contents**

its obligations under the notes through an affiliate of Citigroup Global Markets Holdings and Citigroup Global Markets Inc. or through unaffiliated counterparties, and such counterparties may profit from such expected hedging activity even if the value of the notes declines. This hedging activity could affect the level or price of the index or base rate to which such notes are linked and, therefore, the value of and your return on the notes. For more information, see the section "Use of Proceeds and Hedging" in the accompanying prospectus and the applicable supplement.

**Conflicts of Interest.** Citigroup Global Markets Inc., and other broker-dealer affiliates of Citigroup Global Markets Holdings, are members of the Financial Industry Regulatory Authority, Inc. ( FINRA ) and may participate in offerings of the notes. Accordingly, offerings of the notes in which Citigroup Global Markets Inc. or Citigroup Global Markets Holdings' other broker-dealer affiliates participate will conform with the requirements addressing conflicts of interest when distributing the securities of an affiliate set forth in FINRA Rule 5121. Neither Citigroup Global Markets Inc. nor any other broker-dealer affiliate of Citigroup Global Markets Holdings will sell notes to an account over which Citigroup Global Markets Inc. or its subsidiaries have investment discretion unless Citigroup Global Markets Inc. or such broker-dealer affiliate has received specific written approval of the transaction from the account holder.

Any agent, underwriter or dealer that is not an affiliate of ours may presently or from time to time engage in business transactions with us, including extending loans to us.

This prospectus supplement, the accompanying prospectus and each other applicable supplement may be used by Citigroup Global Markets Inc. or other affiliates of Citigroup Global Markets Holdings in connection with offers and sales of the notes offered by this prospectus supplement in market-making transactions at negotiated prices related to prevailing market prices at the time of sale. Citigroup Global Markets Inc. or these other affiliates may act as principal or agent in such transactions.

A prospectus in electronic format may be made available on the websites maintained by the agent or one or more other dealers. The agent and other dealers may agree to allocate a number of notes for sale to their online brokerage account holders. The agent and other dealers will allocate notes to the agent and dealers that may make Internet distributions on the same basis as other allocations. In addition, notes may be sold by the agent or other dealers to dealers who resell notes to online brokerage account holders.

**Certain Selling Restrictions**

*Brazil*

The notes have not been and will not be issued or publicly placed, distributed, offered or negotiated in the Brazilian capital markets. None of Citigroup Global Markets Holdings, Citigroup 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, the agent has represented, warranted and agreed 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.

*Bolivia*

The offshore notes are not governed by Bolivian legislation nor are they registered with or regulated by the Bolivian regulatory authorities.

S-26

---

**Table of Contents***Chile*

The notes 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.

*European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Member State, the notes have not been and will not be offered to the public (the Securities) in that Member State other than:

- (i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of any agent for any such offer; or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Securities shall require Citigroup Global Markets Holdings or any agent 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 to the public in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression Prospectus Directive means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out in this prospectus supplement and any other applicable supplement.

The accompanying prospectus and this prospectus supplement have been prepared, and each other applicable supplement will be prepared, on the basis that any offer of notes in any Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of notes which are the subject of the offering contemplated in the accompanying prospectus, this prospectus supplement and each other applicable supplement may only do so in circumstances in which no obligation arises for Citigroup Global Markets Holdings or

any agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither Citigroup Global Markets Holdings nor any agent have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for Citigroup Global Markets Holdings or any agent to publish a prospectus for such offer.

*Hong Kong Special Administrative Region*

The contents of the accompanying prospectus, this prospectus supplement and each other applicable supplement have not been reviewed by any regulatory authority in the Hong Kong Special Administrative Region

S-27

---

**Table of Contents**

of the People's Republic of China ( Hong Kong ). Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of the accompanying prospectus, this prospectus supplement or any other applicable supplement, they should obtain independent professional advice.

The notes have not been offered or sold and will not be offered or sold in Hong Kong by means of any document, other than

- (a) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or
- (b) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the Securities and Futures Ordinance ) and any rules made under that Ordinance; or
- (c) 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

There is no advertisement, invitation or document relating to the 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. Non-insured Product: The notes are not insured by any governmental agency. The notes are not bank deposits and are not covered by the Hong Kong Deposit Protection Scheme.

*Mexico*

The notes have not been, and will not be, registered with the Mexican National Registry of Securities pursuant to the Mexican Securities Market Law and the agent has represented and agreed 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 prospectus supplement or any other offering materials. This prospectus supplement and any other offering materials may not be publicly distributed in Mexico.

*Peru*

The notes may only be placed privately in Peru, except if such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian securities market law establishes that any particular offer may qualify as private, among others, if it is directed exclusively at institutional investors. The notes will not be subject to a public offering in Peru. Therefore, neither this prospectus supplement nor any other offering materials nor any notes have been or will be registered with the *Superintendencia de Mercado de Valores* (Peru's National Corporations and Securities Supervisory Commission or SMV) or with the Lima Stock Exchange. This prospectus supplement and other offering materials relating to the offer of the notes are being supplied to those Peruvian investors who have expressly requested them. Such materials may not be distributed to any person or entity other than the intended recipients. Peruvian investors, as defined by Peruvian legislation, must rely on their own examination of the terms of the offering of the notes to determine their ability to invest in them. 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.

*Singapore*

The accompanying prospectus, this prospectus supplement and each other applicable supplement have not been registered as a prospectus with the Monetary Authority of Singapore, and the notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the Securities and Futures Act ). Accordingly, the notes may not be offered or sold or made the subject of an invitation for subscription or

S-28

---

**Table of Contents**

purchase nor may the accompanying prospectus, this prospectus supplement, any other applicable supplement 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 the 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 Investments) (Shares and Debentures) Regulations 2005 of Singapore.

The notes referred to herein may not be registered with any regulator, regulatory body or similar organization or institution in any jurisdiction in Singapore.

The notes may be Specified Investment Products (as defined in the Notice on Recommendations on Investment Products and Notice on the Sale of Investment Product issued by the Monetary Authority of Singapore on 28 July 2011) that are neither listed nor quoted on a securities market or a futures market.

Non-insured Product: The notes are not insured by any governmental agency. The notes are not bank deposits. The notes are not insured products subject to the provisions of the Deposit Insurance and Policy Owners Protection Schemes Act 2011 of Singapore and are not eligible for deposit insurance coverage under the Deposit Insurance Scheme.

*United Kingdom*

The accompanying prospectus, this prospectus supplement and each other applicable supplement are only being distributed to and are only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order ) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons ). Any notes will only be available to, and any invitation, offer or agreement to subscribe,



**Table of Contents**

purchase or otherwise acquire such notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the accompanying prospectus, this prospectus supplement and each other applicable supplement prospectus or any of their contents.

*Uruguay*

The notes 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 neither Citigroup Global Markets Holdings nor Citigroup qualifies as an investment fund regulated by Uruguayan law 16,774, as amended. The agent has represented and agreed that notes placed in Uruguay will be placed relying on a private placement (*oferta privada*) pursuant to section 2 of law 18,627.

---

**Table of Contents****BENEFIT PLAN INVESTOR CONSIDERATIONS**

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended ( ERISA ), including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans (collectively, ERISA Plans ), should consider the fiduciary standards of ERISA in the context of the ERISA Plan 's particular circumstances before authorizing an investment in the notes. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code of 1986, as amended, (the Code ) prohibit ERISA Plans, as well as plans (including individual retirement accounts and Keogh plans) subject to Section 4975 of the Code (together with ERISA Plans, Plans ), 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 (in either case, Parties in Interest ) with respect to such Plans. As a result of our business, we, and our current and future affiliates, may be Parties in Interest with respect to many Plans. Where we (or our affiliate) are a Party in Interest with respect to a Plan (either directly or by reason of our ownership interests in our directly or indirectly owned subsidiaries), the purchase and holding of the notes by or on behalf of the Plan could be a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless exemptive relief were available under an applicable exemption (as described below).

Certain prohibited transaction class exemptions ( PTCEs ) issued by the U.S. Department of Labor may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the notes. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts) and PTCE 84-14 (for certain transactions determined by independent qualified asset managers). In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code may provide a limited exemption for the purchase and sale of the notes and related lending transactions, *provided* that neither the issuer of the notes nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of the Plan involved in the transaction and *provided further* that the Plan pays no more, and receives no less, than adequate consideration in connection with the transaction (the so-called service provider exemption ). There can be no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the notes.

Accordingly, the notes may not be purchased or held by any Plan, any entity whose underlying assets include plan assets by reason of any Plan 's investment in the entity (a Plan Asset Entity ) or any person investing plan assets of any Plan, unless such purchaser or holder is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or the service provider exemption or there is some other basis on which the purchase and holding of the notes will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code. Each purchaser or holder of the notes or any interest therein will be deemed to have represented by its purchase or holding of the notes that (a) it is not a Plan and its purchase and holding of the notes is not made on behalf of or with plan assets of any Plan or (b) its purchase and holding of the notes will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Certain governmental plans (as defined in Section 3(32) of ERISA), church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) ( Non-ERISA Arrangements ) are not subject to these prohibited transaction rules of ERISA or Section 4975 of the Code, but may be subject to similar rules under

other applicable laws or regulations ( Similar Laws ). Accordingly, each such purchaser or holder of the notes shall be required to represent (and deemed to have represented by its purchase or holding of the notes) that such purchase and holding is not prohibited under applicable Similar Laws.

S-31

**Table of Contents**

Due to the complexity of these rules, it is particularly important that fiduciaries or other persons considering purchasing the notes on behalf of or with plan assets of any Plan consult with their counsel regarding the relevant provisions of ERISA, the Code or any Similar Laws and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1, 84-14, the service provider exemption or some other basis on which the acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of any applicable Similar Laws.

The notes are contractual financial instruments. The financial exposure provided by the notes is not a substitute or proxy for, and is not intended as a substitute or proxy for, individualized investment management or advice for the benefit of any purchaser or holder of the notes. The notes have not been designed and will not be administered in a manner intended to reflect the individualized needs and objectives of any purchaser or holder of the notes.

Each purchaser and holder of the notes has exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any applicable Similar Laws. The sale of any notes to any Plan or Non-ERISA Arrangement is in no respect a representation by us or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement, or that such an investment is appropriate for Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.

However, individual retirement accounts, individual retirement annuities and Keogh plans, as well as employee benefit plans that permit participants to direct the investment of their accounts, will not be permitted to purchase or hold the notes if the account, plan or annuity is for the benefit of an employee of Citigroup Global Markets Inc. or a family member and the employee receives any compensation (such as, for example, an addition to bonus) based on the purchase of notes by the account, plan or annuity.

**Table of Contents**

**LEGAL MATTERS**

Certain legal matters with respect to the validity of the notes will be passed upon for Citigroup Global Markets Holdings by Scott L. Flood, Secretary and General Counsel of Citigroup Global Markets Holdings, Barbara Politi, Assistant General Counsel – Capital Markets of Citigroup, Davis Polk & Wardwell LLP, special products counsel to Citigroup Global Markets Holdings, and/or other counsel identified in the applicable supplement. Certain legal matters with respect to the underwriters will be passed upon by Cleary Gottlieb Steen & Hamilton LLP and/or other counsel identified in the applicable supplement. Mr. Flood and Ms. Politi each respectively beneficially own, or have rights to acquire under Citigroup's employee benefit plans, less than 1% of Citigroup's common stock.

S-33

**Table of Contents****PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 14. *Other Expenses of Issuance and Distribution.***

The following table sets forth the various expenses payable by the Registrants in connection with the Securities being registered hereby. All of the fees set forth below, except for the commission registration fee, are estimates.

Commission Registration Fee	\$ 12,450
Accounting Fees	750,000
Trustees Fees and Expenses	120,000
Printing and Engraving Fees	700,000
Rating Agency Fees	200,000
FINRA Fee	0
Legal Fees and Expenses	600,000
Stock Exchange Listing Fees	200,000
Miscellaneous	200,000
Total	\$ 2,782,450

**Item 15. *Indemnification of Directors and Officers.*****Citigroup**

Subsection (a) of Section 145 of the General Corporation Law of the State of Delaware, or DGCL, empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Subsection (b) of Section 145 of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the

corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

II-1

---

**Table of Contents**

Subsection (d) of Section 145 of the DGCL provides that any indemnification under subsections (a) and (b) of Section 145 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsections (a) and (b) of Section 145. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) by a committee of such directors designated by the majority vote of such directors, even though less than a quorum, or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (4) by the stockholders.

Section 145 of the DGCL further provides that to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith and that such expenses may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in Section 145 of the DGCL; that any indemnification and advancement of expenses provided by, or granted pursuant to, Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; that indemnification provided by, or granted pursuant to, Section 145 shall, unless otherwise provided when authorized and ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators; and empowers the corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liabilities under Section 145. Section Four of Article IV of Citigroup's By-Laws provides that Citigroup shall indemnify its directors and officers to the fullest extent permitted by the DGCL.

Citigroup also provides liability insurance for its directors and officers which provides for coverage against loss from claims made against directors and officers in their capacity as such, including, subject to certain exceptions, liabilities under the federal securities laws.

Section 102(b)(7) of the DGCL provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Article Tenth of Citigroup's Restated Certificate of Incorporation limits the liability of directors to the fullest extent permitted by Section 102(b)(7).

The directors and officers of Citigroup are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by Citigroup. Any agents, dealers or underwriters who execute any underwriting or distribution agreement relating to securities offered pursuant to this Registration Statement will agree to indemnify Citigroup's directors and their officers who signed the Registration Statement against certain liabilities that may arise under the Securities Act with respect to information furnished to Citigroup by or on behalf of such



indemnifying party.

II-2

**Table of Contents**

**Citigroup Global Markets Holdings**

Section 721 of the New York Business Corporation Law, or the BCL, provides that, in addition to the indemnification provided in Article 7 of the BCL, a corporation may indemnify a director or officer by a provision contained in its certificate of incorporation or by-laws or by a duly authorized resolution of its shareholders or directors or by agreement provided that no indemnification may be made to or on behalf of any director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and material to the cause of action, or that such director or officer personally gained in fact a financial profit or other advantage to which he was not legally entitled.

Section 722(a) of the BCL provides that a corporation may indemnify a director or officer made, or threatened to be made, a party to any action other than a derivative action, whether civil or criminal, against judgments, fines, amounts paid in settlement and reasonable expenses actually and necessarily incurred as a result of such action, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or not opposed to, the best interests of the corporation and, in criminal actions or proceedings, in addition, has no reasonable cause to believe that his conduct was unlawful.

Section 722(c) of the BCL provides that a corporation may indemnify a director or officer, made or threatened to be made a party in a derivative action, against amounts paid in settlement and reasonable expenses actually and necessarily incurred by him in connection with the defense or settlement of such action or in connection with an appeal therein if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification will be available under Section 722(c) of the BCL in respect of a threatened or pending action which is settled or otherwise disposed of or any claims as to which such director or officer shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction, determines, upon application, that, in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

Section 723 of the BCL specifies the manner in which payment of indemnification under Section 722 of the BCL or indemnification permitted under Section 721 of the BCL may be authorized by the corporation. It provides that indemnification may be authorized by the corporation. It provides that indemnification by a corporation is mandatory in any case in which the director or officer has been successful, whether on the merits or otherwise, in defending an action. In the event that the director or officer has not been successful or the action is settled, indemnification must be authorized by the appropriate corporate action as set forth in Section 723. Section 724 of the BCL provides that, upon application by a director or officer, indemnification may be awarded by a court to the extent authorized under Sections 722 and 723. Section 725 of the BCL contains certain other miscellaneous provisions affecting the indemnification of directors and officers.

Section 726 of the BCL authorizes the purchase and maintenance of insurance to indemnify (1) a corporation for any obligation which it incurs as a result of the indemnification of directors and officers under the above sections, (2) directors and officers in instances in which they may be indemnified by a corporation under such sections, and (3) directors and officers in instances in which they may not otherwise be indemnified by a corporation under such sections, provided the contract of insurance covering such directors and officers provides, in a manner acceptable to the New York State Superintendent of Insurance, for a retention amount and for co-insurance.

Article Seventh(e) of the Restated Certificate of Incorporation of Citigroup Global Markets Holdings provides in part as follows:

The Corporation shall indemnify to the full extent authorized by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason

II-3

**Table of Contents**

of the fact that he, his testator or intestate is or was a director, officer or employee of the Corporation or any predecessor of the Corporation or serves or served any other enterprise as a director, officer or employee at the request of the Corporation or any predecessor of the Corporation, provided that this provision shall not provide for indemnification to be made to or on behalf of any director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

Article Ninth of the Restated Certificate of Incorporation of Citigroup Global Markets Holdings provides as follows:

To the fullest extent permitted under section 402 of the BCL, no director of the corporation shall be personally liable to the corporation or its shareholders for damages for any breach of duty in such capacity, provided that this provision shall not limit

- (a) the liability of any director if a judgment or other final adjudication adverse to him establishes that his acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled or that his acts violated section 719 of the BCL or
- (b) the liability of any director for any act or omission prior to adoption of a provision authorized by this paragraph.

Article Twelve of the By-laws of Citigroup Global Markets Holdings provides as follows:

The Corporation shall indemnify to the full extent authorized by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director, officer or employee of the Corporation or any predecessor of the Corporation or serves or served any other enterprise as a director, officer or employee at the request of the Corporation or any predecessor of the Corporation, provided that this provision shall not provide for indemnification to be made to or on behalf of any director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

Citigroup Global Markets Holdings has purchased certain liability insurance for its officers and directors as permitted by Section 726 of the BCL and has entered into indemnity agreements with its directors and certain officers providing indemnification in addition to that provided under the BCL, as permitted by Section 721 of the BCL.

For the undertaking with respect to indemnification, see Item 17 herein.

See the Form of Underwriting Agreement Basic Provisions, Global Selling Agency Agreements and Underwriting Agreements filed or to be filed as Exhibits 1.1 through 1.11 for certain indemnification provisions.

**Table of Contents**

**Item 16. *Exhibits.***

A list of exhibits filed with this Form S-3 is set forth on the Exhibit Index and is incorporated by reference herein.

II-5

---

**Table of Contents**

**Item 17. Undertakings.**

The undersigned Registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended;
- (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement; *provided, however,* that paragraphs (i), (ii) and (iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Securities and Exchange Commission by Citigroup Inc. pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, that are incorporated by reference in this registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, as amended, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933, as amended, to any purchaser:

- (i) Each prospectus filed by a Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and
- (ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or

(x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933, as amended, shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering

**Table of Contents**

thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of a Registrant under the Securities Act of 1933, as amended, to any purchaser in the initial distribution of the securities, the undersigned Registrants undertake that in a primary offering of securities of the undersigned Registrants pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrants will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of an undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of an undersigned Registrant or used or referred to by an undersigned Registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about an undersigned Registrant or its securities provided by or on behalf of an undersigned Registrant; and
- (iv) Any other communication that is an offer in the offering made by an undersigned Registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, as amended, each filing of Citigroup Inc.'s annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934, as amended), that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(7) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of each Registrant pursuant to the foregoing provisions, or otherwise, each Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a Registrant of expenses incurred or paid by a director, officer or controlling person of a Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being



registered, that Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933, as amended, and will be governed by the final adjudication of such issue.

II-7

---

**Table of Contents**

**EXHIBIT INDEX**

**Description**

Basic Provisions (incorporated by reference to Exhibit 1.1 to Citigroup's Form S-3ASR filed on October 14, 2016 (File No. 333-214120))

Medium-Term Senior Notes, Series G (incorporated by reference to Exhibit 1.1 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

to Citigroup's Medium-Term Senior Notes, Series G (incorporated by reference to Exhibit 1.2 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

Global Markets Holdings' Medium-Term Senior Notes, Series N (incorporated by reference to Exhibit 1.1 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

to Citigroup Global Markets Holdings' Medium-Term Senior Notes, Series N (incorporated by reference to Exhibit 1.1 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

will be filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

will be filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

is filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

as an Exhibit to a Current Report on Form 8-K and incorporated by reference.

reference to Exhibit 3.01 of Citigroup's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 (File No. 1-9924)).

incorporated by reference to Exhibit 3.1 to Citigroup's Current Report on Form 8-K filed on October 27, 2015 (File No. 1-9924)).

Global Markets Holdings Inc. (incorporated by reference to Exhibit 4.7 to Citigroup's Post-Effective Amendment No. 2 to its Registration Statement on Form S-3 filed on February 6, 2007 (incorporated by reference to Exhibit 4.8 to Citigroup's Post-Effective Amendment No. 2 to its Registration Statement on Form S-3 filed on February 6, 2007 (File No. 333-118796))

to Citigroup and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

to Citigroup and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.01 to Citigroup's Current Report on Form 8-K filed on November 11, 2015 (File No. 000119312515000014))

**Table of Contents****Exhibit**

<b>Number</b>	<b>Description</b>
4.7	<u>Second Supplemental Indenture, dated as of December 29, 2016, between Citigroup and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.01 to Citigroup's Current Report on Form 8-K filed on December 29, 2016 (File No. 1-9924)).</u>
4.8	<u>Subordinated Debt Indenture, dated as of April 12, 2001, between Citigroup and Bank One Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to Citigroup's Registration Statement on Form S-3 (File No. 333-186425)).</u>
4.9	<u>First Supplemental Indenture, dated as of August 2, 2004, between Citigroup and J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee (incorporated by reference to Exhibit 4.13 to Citigroup's Registration Statement on Form S-3/A (File No. 333-117615)).</u>
4.10	<u>Second Supplemental Indenture, dated as of May 18, 2016, between Citigroup and The Bank of New York Mellon, as successor to J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee (incorporated by reference to Exhibit 4.2 to Citigroup's Current Report on Form 8-K filed on May 20, 2016 (File No. 1-9924)).</u>
4.11	<u>Third Supplemental Indenture, dated as of March 1, 2017, between Citigroup and The Bank of New York Mellon, as successor to J.P. Morgan Trust Company, N.A. (formerly Bank One Trust Company, N.A.), as trustee (incorporated by reference to Exhibit 4.11 to Citigroup's Registration Statement on Form S-3 (File No. 333-216372)).</u>
4.12	<u>Indenture, dated July 23, 2004, between Citigroup and JPMorgan Chase Bank, as trustee (incorporated by reference to Exhibit 4.28 to Citigroup's Registration Statement on Form S-3 (File No. 333-117615)).</u>
4.13	Indenture, dated as of March 15, 1987, between Primerica Corporation, a New Jersey corporation, and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.01 to Citigroup's Registration Statement on Form S-3 (File No. 33-55542)).(P)
4.14	First Supplemental Indenture, dated as of December 15, 1988, among Primerica Corporation, Primerica Holdings, Inc. and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.02 to Citigroup's Registration Statement on Form S-3 (File No. 33-55542)).(P)
4.15	Second Supplemental Indenture, dated as of January 31, 1991, between Primerica Holdings, Inc. and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.03 to Citigroup's Registration Statement on Form S-3 (File No. 33-55542)).(P)
4.16	Third Supplemental Indenture, dated as of December 9, 1992, among Primerica Holdings, Inc., Primerica Corporation and The Bank of New York, as trustee (incorporated by reference to Exhibit 5 to Citigroup's Form 8-A dated December 21, 1992, with respect to Citigroup's 7 3/4% Notes Due June 15, 1999 (File No. 1-9924)).(P)
4.17	<u>Fourth Supplemental Indenture, dated as of November 2, 1998, between Citigroup and The Bank of New York, as trustee (incorporated by reference to Exhibit 4.1 to Citigroup's Quarterly Report on Form 10-Q for the quarter ended September 30, 1998 (File No. 1-9924)).</u>
4.18	<u>Fifth Supplemental Indenture, dated as of December 9, 2008, between Citigroup and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.04 to Citigroup's Current Report on Form 8-K filed on December 11, 2008) (File No. 1-9924)).</u>
4.19	

Sixth Supplemental Indenture, dated as of December 20, 2012, between Citigroup Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.5 to Citigroup's Current Report on Form 8-K filed on December 21, 2012 (File No. 1-9924)).

4.20 Seventh Supplemental Indenture, dated as of May 18, 2016, between Citigroup Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to Citigroup's Current Report on Form 8-K filed on May 20, 2016 (File No. 1-9924)).

4.21 Senior Debt Indenture, dated as of June 1, 2005, among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A. (incorporated by reference to Exhibit 4(b) to Citigroup's Registration Statement on Form S-3 (File No. 333-132370-01)).

**Table of Contents****Exhibit**

<b>Number</b>	<b>Description</b>
4.22	<u>Second Supplemental Indenture, dated as of December 20, 2012, among Citigroup Funding Inc., Citigroup Inc. and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A. (incorporated by reference to Exhibit 4.2 to Citigroup's Current Report on Form 8-K filed on December 21, 2012 (File No. 1-9924)).</u>
4.23	<u>Senior Debt Indenture, dated as of March 8, 2016, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to Citigroup's Current Report on Form 8-K filed on March 9, 2016 (File No. 1-9924)).</u>
4.24	<u>First Supplemental Indenture, dated as of March 1, 2017, between Citigroup Global Markets Holdings Inc., Citigroup Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.24 to Citigroup's Registration Statement on Form S-3 (File No. 333-216372)).</u>
4.25	Form of proposed Common Stock Warrant Agreement for Citigroup Common Stock Warrants, with form of proposed Common Stock Warrant Certificate attached as an exhibit thereto, will be filed as an Exhibit to a Current Report on Form 8-K and incorporated herein by reference.
4.26	<u>Warrant Agreement (relating to Citigroup Warrants (expiring January 4, 2019)), dated as of January 25, 2011, between Citigroup and Computershare Inc. and Computershare Trust Company, N.A., as Warrant Agent (incorporated by reference to Exhibit 4.1 to Citigroup's Registration Statement on Form 8-A filed on January 26, 2011 (File No. 1-9924)).</u>
4.27	<u>Specimen Warrant for 255,033,142 Citigroup Warrants (incorporated by reference to Exhibit 4.2 to Citigroup's Registration Statement on Form 8-A filed on January 26, 2011 (File No. 1-9924)).</u>
4.28	<u>Warrant Agreement (relating to Citigroup Warrants (expiring October 28, 2018)), dated as of January 25, 2011, between Citigroup and Computershare Inc. and Computershare Trust Company, N.A., as Warrant Agent (incorporated by reference to Exhibit 4.1 to Citigroup's Form 8-A filed on January 26, 2011 (File No. 1-9924)).</u>
4.29	<u>Specimen Warrant for 210,084,034 Citigroup Warrants (incorporated by reference to Exhibit 4.2 to Citigroup's Form 8-A filed on January 26, 2011 (File No. 1-9924)).</u>
4.30	Form of proposed Index Warrant Agreement for Citigroup Index Warrants, with form of proposed Index Warrant Certificate attached as an exhibit thereto, will be filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.
4.31	<u>Form of Certificate for Citigroup Preferred Stock (incorporated by reference to Exhibit 4.27 to Citigroup's Registration Statement on Form S-3 (File No. 333-192302)).</u>
4.32	<u>Form of Citigroup Deposit Agreement (incorporated by reference to Exhibit 4.18 to Citigroup's Registration Statement on Form S-3 (File No. 333-27155)).</u>
4.33	<u>Form of Citigroup Depositary Receipt (included in Exhibit 4.32).</u>
4.34	<u>Form of Citigroup Medium-Term Senior Notes, Series G (incorporated by reference to Exhibit 4.30 to Citigroup's Registration Statement on Form S-3 (File No. 333-192302)).</u>
4.35	<u>Form of Citigroup Global Markets Holdings Inc. Medium-Term Senior Notes, Series N (incorporated by reference to Exhibit 4.34 to Citigroup's Post-Effective Amendment No. 2 to its Registration Statement on Form S-3 (File No. 333-192302)).</u>

Edgar Filing: CITIGROUP INC - Form S-3

- 4.36 Form of Citigroup Subordinated Debt Securities (included in Exhibit 4.8).
- 4.37 Form of Citigroup Senior Debt Securities (included in Exhibit 4.5).
- 4.39 Form of Citigroup Stock Purchase Contract will be filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.
- 4.40 Form of Citigroup Stock Purchase Unit will be filed as an Exhibit to a Current Report on Form 8-K and incorporated by reference.
- 5.1 Opinion of Barbara Politi, Esq.\*

II-10

**Table of Contents****Exhibit**

<b>Number</b>	<b>Description</b>
5.2	<u>Opinion of Scott L. Flood, Esq.*</u>
12.1	<u>Calculation of Ratio of Income to Fixed Charges (incorporated by reference to Exhibit 12.01 to Citigroup's Annual Report on Form 10-K for the fiscal year ended December 31, 2017) (File No. 1-9924)).</u>
12.2	<u>Calculation of Ratio of Income to Fixed Charges Including Preferred Stock Dividends (incorporated by reference to Exhibit 12.02 to Citigroup's Annual Report on Form 10-K for the fiscal year ended December 31, 2017) (File No. 1-9924)).</u>
23.1	<u>Consent of KPMG LLP, Independent Registered Public Accounting Firm.*</u>
23.2	<u>Consent of Barbara Politi, Esq. (included in Exhibit 5.1).*</u>
23.3	<u>Consent of Scott L. Flood, Esq. (included in Exhibit 5.2).*</u>
24.1	<u>Powers of Attorney of certain Directors.*</u>
25.1	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as trustee under the Citigroup Senior Debt Indenture dated November 13, 2013.*</u>
25.2	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as trustee under the Citigroup Subordinated Debt Indenture dated as of April 12, 2001.*</u>
25.3	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as Trustee under the Citigroup Subordinated Debt Indenture dated as of July 23, 2004.*</u>
25.4	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon (formerly, The Bank of New York), as trustee under the Citigroup Senior Debt Indenture dated as of March 15, 1987, as supplemented.*</u>
25.5	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A. under the Citigroup Senior Debt Indenture dated as of June 1, 2005.*</u>
25.6	<u>Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as trustee under the Citigroup Global Markets Holdings Senior Debt Indenture dated as of March 8, 2016.*</u>

\* Filed herewith.

(P) Only paper copy available.

Table of Contents

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, Citigroup Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on April 27, 2018.

CITIGROUP INC.

By: /s/ John C. Gerspach  
Name: John C. Gerspach

Title: Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities indicated on April 27, 2018.

**Signatures**

/s/ Michael L. Corbat	Chief Executive Officer and Director
Michael L. Corbat	(Principal Executive Officer)
/s/ John C. Gerspach	Chief Financial Officer
John C. Gerspach	(Principal Financial Officer)
/s/ Raja J. Akram	Controller and Chief Accounting Officer
Raja J. Akram	(Principal Accounting Officer)
*	
Michael E. O Neill	Chairman of the Board
*	
Ellen M. Costello	Director
*	
John C. Dugan	Director
*	Director



Duncan P. Hennes

\*

Peter Blair Henry

Director

\*

Franz B. Humer

Director

\*

S. Leslie Ireland

Director

\*

Renée J. James

Director

\*

Eugene M. McQuade

Director

\*

Gary M. Reiner

Director

**Table of Contents**

\*

Anthony M. Santomero

Director

\*

Diana L. Taylor

Director

\*

James S. Turley

Director

\*

Deborah C. Wright

Director

\*

Ernesto Zedillo

Director

By: /s/ John C. Gerspach

John C. Gerspach

*Attorney-in-Fact*

Table of Contents

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, Citigroup Global Markets Holdings Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on April 27, 2018.

CITIGROUP GLOBAL MARKETS  
HOLDINGS INC.

By: /s/ Daniel S. Palomaki  
Name: Daniel S. Palomaki

Title: Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities indicated on April 27, 2018.

**Signatures**

/s/ James A. Forese	Chief Executive Officer and Chairman of the Board
James A. Forese	(Principal Executive Officer)
/s/ Daniel S. Palomaki	Chief Financial Officer
Daniel S. Palomaki	(Principal Financial Officer)
/s/ Daniel S. Palomaki	Chief Accounting Officer
Daniel S. Palomaki	(Principal Accounting Officer)
/s/ Scott L. Flood	
Scott L. Flood	Director

Table of Contents

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, each of Citigroup Capital XIII and Citigroup Capital XVIII certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on April 27, 2018.

Citigroup Capital XIII  
Citigroup Capital XVIII

By: /s/ Rommel Celleri  
Name: Rommel Celleri  
Title: Regular Trustee

By: /s/ Faisal Essa  
Name: Faisal Essa  
Title: Regular Trustee

By: /s/ Elissa Steinberg  
Name: Elissa Steinberg  
Title: Regular Trustee