



WARRANTS | NOTES | DEFERRED PURCHASE AGREEMENTS

Market Linked Investment

Product Disclosure Statement - 1 May 2009

MLI Income Earner

Deferred Purchase Agreement

- AUD Series 2009 - 03

- USD Series 2009 - 03

Important information about the Market Linked Investment

Product Disclosure Statement: This Product Disclosure Statement ("PDS") is dated 1 May 2009 and has been prepared by the Issuer. This PDS has not been lodged with the Australian Securities and Investments Commission ("ASIC") and is not required by the Corporations Act to be lodged with ASIC. ASIC takes no responsibility for the contents of this PDS.

Purpose: The Market Linked Investment ("MLI") is issued by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) Australian Financial Services Licence ("AFSL") number 240992 ("Citi", "Issuer", "we" or "us") a participant of ASX Group and the Sydney Futures Exchange Limited. The MLI is an agreement between the Investor and the Issuer governed by the terms set out in the terms and conditions ("Terms") which are contained in Section 9 of this PDS. It is important that Investors and potential Investors read the Terms in full as these set out an Investor's rights and obligations in relation to the MLI.

Capitalised terms: Capitalised words used in this PDS have the meaning given to them in clause 15 of the Terms, unless the context requires otherwise.

Disclaimer: The MLI and any securities recommended, offered, or sold by the Issuer: (i) are not insured or guaranteed by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations or liabilities of any insured depository institution (including Citibank, N.A.); and (iii) are subject to investment risks, including the possible loss of the principal amount invested in the event of an Early Maturity and possible delays in repayment. The MLI does not represent a deposit or other liability of Citigroup Pty Limited or Citibank, N.A. (Sydney Branch) and these entities do not stand in any way behind the capital value and/or performance of the MLI nor are these entities issuers of the MLI. The Issuer is not subject to regulatory supervision by APRA.

Variation of times and dates: The Issuer reserves the right to vary the dates and times associated with the offer. This means that the Issuer has a discretion to extend or reduce the length of the offer period by changing any of the relevant dates in the Issuer's absolute discretion. The Issuer may exercise its rights where, for example, the demand for the MLI has been very high and a significant number of customers have requested that the period be extended. However, in exercising its discretion the Issuer would act reasonably and would not leave the offer period open for too long having regard to standard market practice. The Issuer may also vary the Maturity Date if an Early Maturity Event occurs or if an Investor requests Early Maturity and that request is accepted by the Issuer. The term "Early Maturity Event" is defined in clause 4.1 of Section 9 of this PDS. The risks associated with an Early Maturity Event are more fully discussed in Section 2 of this PDS.

Investment Decisions: It is impossible in a document of this type to take into account the investment objectives, financial situation and particular needs of each reader. Accordingly, nothing in this PDS should be construed as a recommendation by the Issuer, or any associate of the Issuer or any other person concerning an investment in the MLI, the Delivery Assets or any other financial product. Readers should not

rely on this PDS as the sole or principal basis of a decision to invest in the MLI, Delivery Assets or any other financial product and should seek independent financial, legal and taxation advice before making a decision whether to invest. No person is authorised by the Issuer to give any information or to make any representation not contained in this PDS. Any information or representation not contained in this PDS must not be relied upon as having been authorised by or on behalf of the Issuer. Nothing in this PDS is, or may be relied upon as, a representation as to the future performance of the MLI or the Delivery Assets.

Jurisdiction and Selling Restrictions: This PDS is not an offer or invitation in relation to the MLI in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this PDS outside Australia may be restricted by the laws of those places where it is received. Persons into whose possession this document comes should seek advice on and observe those restrictions. The MLI is not available to US Investors. Failure to comply with relevant restrictions may violate those laws of the places where the PDS is received.

Updates relating to this PDS: The Issuer may make available updated information relating to this PDS. Investors may access this information at www.citiwarrants.com.au or alternatively may request a paper copy of this information free of charge from their licensed financial adviser or by contacting the Issuer on 1300 30 70 70. The information which the Issuer will make available by way of these updates is subject to change from time to time and will not be information which is materially adverse to Investors. It is recommended that you review any such additional material before making a decision whether to acquire MLI. If there is any material adverse change, a supplementary product disclosure statement will be issued.

Electronic copies: This PDS is available on the internet at www.citiwarrants.com.au. Any person receiving this PDS electronically should note that applications can only be accepted if the Issuer receives a completed, current Application Form which accompanied the electronic or paper copy of this PDS. A paper copy of this PDS (with attached Application Form) will be sent by the Issuer to any person who requests one, free of charge. To obtain a paper copy free of charge, please call 1300 30 70 70. Alternatively, the operator of your master trust or wrap account service will be able to provide you with paper copies free of charge.

Cooling off: Please note that no cooling off rights apply in respect of a purchase of the MLI.

Social or Ethical Considerations: The MLI does not take into account labour standards or environmental, social or ethical standards.

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Key Dates

Event	Date
Offer Opens	1 May 2009 at 9:00 am (Sydney time)
Offer Closes	25 May 2009 at 5:00 pm (Sydney time)
Issue Date	29 May 2009
Maturity Date	AUD Series: 29 May 2013 USD Series: 29 May 2013

The key dates are indicative only and may be changed by the Issuer. All times are Australian Eastern Standard Time, unless otherwise stated.

If you have any questions concerning the information contained in this PDS please contact Citi on 1300 30 70 70 or email equityfirst.au@citi.com.

Term Sheet

Issuer	Citigroup Global Markets Australia Pty Limited ("Issuer")	
Guarantor	Citigroup Inc. ("Guarantor")	
Offer Closes	25 May 2009 at 5:00 pm (Sydney time)	
Issue Date	AUD Series: 29 May 2009 USD Series: 29 May 2009	
Maturity Date	AUD Series: 29 May 2013 USD Series: 29 May 2013	
Term of Investment	AUD Series: 4 Years USD Series: 4 Years	
Denomination	AUD Series: Australian Dollars USD Series: United States Dollars	
Investment	The MLI which is an agreement between the Investor and the Issuer governed by the Terms	
Issue Price	AUD Series: AUD1.00 per MLI unit USD Series: USD1.00 per MLI unit	
Minimum Investment Amount	AUD Series: AUD10,000 and multiples of AUD1,000 thereafter USD Series: USD10,000 and multiples of USD1,000 thereafter	
Capital Protection	The value of each MLI unit on the Maturity Date will be the Issue Price (subject to certain restrictions as described on page 14)*	
Interest Rate Period	Every Quarter. The first Interest Rate Period begins on the Issue Date.	
Interest Rate Payments	Interest Rate Payments (Years 1-4) = Investment Amount x Interest Rate x 1/4	
Interest Rate	AUD Series: 7.00% p.a.	USD Series: 4.75% p.a.
Interest Payment Dates	AUD Series: On the first Business Day after the corresponding Interest Rate Period	USD Series On the first common Sydney and New York Business Day after the corresponding Interest Rate Period
Final Value per MLI	AUD Series: AUD1.00 per MLI unit USD Series: USD1.00 per MLI unit	
Delivery Asset	Shares in the Commonwealth Bank of Australia (the "Commonwealth Bank") (an ASX listed share, ASX code: CBA)	
Fees	Distributor Fee - An upfront fee payable by the Issuer of up to 2.50% (including GST) of the Investment Amount. Volume Based Fee - A volume based upfront fee payable by the Issuer of up to 0.75% (including GST) of the Investment Amount. These fees will be paid by Citi at no additional cost to Investors.	

*The Capital Protection only applies to investments held until the Maturity Date and provided no Early Maturity occurs. Capital Protection safeguards the investment from market risks but is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and the Guarantor. For more details, please refer to Section 2 of this PDS.

Section 1 - Introducing the MLI

What is the MLI?

The MLI offers regular fixed income along with the safety of 100% Capital Protection on the Maturity Date. Capital Protection only applies to Investments held until the Maturity Date and provided no Early Maturity occurs. Capital Protection is also subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). For more details, please refer to Section 2 of this PDS.

The MLI is classified as a "security" under the Corporations Act because it gives Investors an equitable interest (a "Beneficial Interest") in a Portion of the Delivery Assets for the duration of the investment. The Portion is a 1/1000th interest in a Delivery Asset, held by the Issuer or its nominee for an Investor for the Term of Investment. It cannot be dealt with separately to the rest of the MLI.

How is the MLI structured?

The MLI is structured as a deferred purchase agreement. Under a deferred purchase, an Investor agrees to purchase the Delivery Assets (including the Portion) and either:

- elect to accept physical delivery of the Delivery Assets on the Settlement Date; or
- elect to take advantage of the Agency Sale Arrangement upon physical delivery of the Delivery Assets on the Settlement Date and subsequently receive the Sale Proceeds.

What are the Delivery Assets?

On the Settlement Date or as soon as possible thereafter, the Issuer will be required to deliver to the Investor shares in Commonwealth Bank. The value of these shares will be equal to the Final Value per MLI on the Maturity Date (as explained below) multiplied by the number of MLI units held by an Investor. The Issuer will notify the Investor in the Maturity Notice of any Costs and Taxes (including GST) that are payable. At the date of this PDS the Issuer does not anticipate any Costs and Taxes are payable.

The Issuer will only deliver a whole number of Delivery Assets (which will include the Portion). If any fraction of a share would otherwise be transferable by the Issuer to the Investor, the Issuer will pay an amount equal to the value of the fraction of the share foregone, based on the Official Closing Level on the Trading Day immediately following the Maturity Date, provided that the amount exceeds AUD20. If the amount does not exceed AUD20, the Issuer is under no obligation to the Investor to make any payment for the fraction.

What is the investment strategy of the MLI?

The MLI is designed for Investors who seek fixed Interest Rate Payments that are paid Quarterly throughout the Term of Investment. The MLI delivers this return with the safety of 100% Capital Protection at the Maturity Date. Capital Protection is also subject to the credit worthiness of the Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). For more details, please refer to Section 2 of this PDS.

What are the investment objectives of the MLI?

The investment objective of the MLI is to provide Investors with the regular fixed income return specified in the Term Sheet while providing Capital Protection on the initial Investment Amount. Capital Protection is also subject to the credit worthiness of the Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). For more details, please refer to Section 2 of this PDS.

The investment objective of the MLI does not take into account labour standards or environmental, social or ethical standards.

The following table indicates considerations an Investor should take into account in relation to an investment in the MLI. The MLI may be a suitable investment for an Investor if the following apply to the Investor:

Investor Seeks	Investor Can Accept
Income in the form of Quarterly fixed Interest Rate Payments during the holding period of up to 4 years	A holding period of up to 4 years
100% Capital Protection at Maturity*	The possibility of losing part of the initial Investment Amount if the MLI is not held to Maturity
A medium-term market-linked investment	The risks associated with investing in AUD Interest Rates (AUD Series) or USD Interest Rates (USD Series)
No entry, exit, management or brokerage fees payable on Investments held until the Maturity Date	The possibility that returns may be limited or could be less than the return you could earn on other investments

*This Capital Protection only applies to Investments held until the Maturity Date and provided no Early Maturity occurs. Capital Protection safeguards the Investment from market risks but is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc (Guarantor). (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). Please refer to Section 2 of this PDS for more details.

What is the investment profile of the MLI?

Time Horizon - In Years	1 or less	2	3	4	5 or more	Open - ended
Risk	Very Low	Low	Moderate	High	Very High	Speculative
Investment Objective	Full Protection	Partial Protection	Conditional Protection	No Protection	Income	Growth

When are Interest Rate Payments made?

Interest Rate Payments are made Quarterly in arrears. The Interest Rate Payments will be paid in accordance with the following date schedule:

AUD Series [^] Interest Payment Dates		
Mon, 31-Aug-09	Tue, 1-Mar-11	Wed, 29-Aug-12
Mon, 30-Nov-09	Mon, 30-May-11	Thu, 29-Nov-12
Mon, 1-Mar-10	Mon, 29-Aug-11	Fri, 1-Mar-13
Mon, 31-May-10	Tue, 29-Nov-11	Wed, 29-May-13
Mon, 30-Aug-10	Wed, 29-Feb-12	
Mon, 29-Nov-10	Tue, 29-May-12	

USD Series [^] Interest Payment Dates		
Mon, 31-Aug-09	Tue, 1-Mar-11	Wed, 29-Aug-12
Mon, 30-Nov-09	Tue, 31-May-11	Thu, 29-Nov-12
Mon, 1-Mar-10	Mon, 29-Aug-11	Fri, 1-Mar-13
Mon, 1 Jun 10	Tue, 29-Nov-11	Wed, 29-May-13
Mon, 30-Aug-10	Wed, 29-Feb-12	
Mon, 29-Nov-10	Tue, 29-May-12	

[^]The Interest Payment Dates shown in the tables above are based on existing Business Day calendars and are subject to change without notice.

How are Interest Rate Payments calculated?

Both the AUD Series and USD Series pay fixed Interest Rate Payments Quarterly in arrears. The Interest Rate Payment for each Interest Rate Period in relation to each series (AUD or USD) is calculated by the formula:

Interest Rate Payments = Investment Amount x Interest Rate x 1/4

What is the Final Value per MLI at Maturity?

At Maturity, the Final Value per MLI will be equal to the Issue Price:

AUD Series: AUD1.00 per MLI unit

USD Series: USD1.00 per MLI unit

On the Settlement Date or as soon as practicable thereafter the Issuer will be required to deliver to the Investor shares in Commonwealth Bank. The value of these shares, provided no Early Maturity occurs (as explained above), will be equal to the Final Value per MLI on the Maturity Date multiplied by the number of MLI units held by an Investor. The Issuer will notify the Investor in the Maturity Notice of any Costs and Taxes (including GST) that are payable. At the date of this PDS the Issuer does not anticipate any Costs and Taxes are payable. The Issuer will only deliver a whole number of Delivery Assets (which will include the Portion).

What are the significant benefits of investing in the MLI?

The significant benefits that an Investor might expect to receive from an investment in the MLI may include:

- **Fixed Income Payments** - The MLI returns a stream of fixed Interest Rate Payments.
- **Capital Protection** - The MLI offers Investors the comfort of Capital Protection, protecting the return of the Investment Amount provided the MLI is held until the Maturity Date and no Early Maturity occurs. Capital Protection safeguards the Investment from market risks but is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and the Guarantor. For more details, please refer to Section 2 of this PDS.

What are the significant risks of investing in the MLI?

The significant risks that an Investor might expect to receive from an investment in the MLI may include:

- **Early Maturity Risk** - The Capital Protection only applies to investments held until the Maturity Date and provided no Early Maturity occurs. Capital Protection is also subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor). For more details, please refer to Section 2 of this PDS. In certain circumstances the MLI may be terminated before Maturity and where Early Maturity applies, the value of the MLI may be less than the Investment Amount and Break Costs may apply.

- **Tax and Change of Law Risk** - Changes to laws or their interpretation in Australia, including taxation and corporate regulatory laws could have a negative impact on the return of Investors.
- **Agency Sale Arrangement** - If you elect the Agency Sale Arrangement, the Official Closing Level on the Maturity Date may not be achievable and you may therefore receive less than the final value of the Delivery Parcel.
- **Credit Risk** - The Investor is exposed to the credit risk of the Issuer and the Guarantor. Capital Protection safeguards the investment from market risks but is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 2 of this PDS.
- **Market Risks** - There is no guarantee that the return of the MLI will exceed the return generated by alternate investments.

What fees are payable in relation to the MLI?

There are no additional fees or commissions payable by the Investor. The Issuer may pay a Distributor Fee of up to 2.50% (including GST) of the Investment Amount and a Volume Based Fee of up to 0.75% (including GST) of the Investment Amount. These fees will be paid by Citi at no additional cost to Investors. For information on what fees and commissions are payable in connection with an investment in the MLI, please refer to Section 5 of this PDS.

Is the MLI transferable?

The MLI is unlisted and transferable. It cannot be traded on any financial market.

What are the currency risks in relation to the MLI?

For both the AUD Series and USD Series, direct currency risk is minimised since all payments associated with the MLI are denominated in the same currency. Investors in the USD Series that do not elect to take advantage of the Agency Sale Agreement and accept the Delivery Assets may incur currency risk beyond the Maturity of the MLI. For more details on currency risks, please refer to Section 2 of this PDS.

What are the potential tax implications for an investment in MLI?

Investors who are a resident of Australia for the purposes of Australian income tax should include Interest Rate Payments in their assessable income when received.

Investors whose Postal Address or Settlement Account, as provided on the Application Form, is outside Australia will be subject to interest withholding tax on Interest Rate Payments paid by the Issuer. The rate of interest withholding tax is currently 10%.

For investors who hold their MLI on capital account, any loss of principal on Early Maturity should represent a CGT

loss. An Investor in the USD Series may make a capital gain or loss on Maturity (even where they do not dispose of their Delivery Assets) due to movement in the AUD/USD exchange rate during the term of the MLI. A CGT loss is not deductible against assessable income but can only be used to reduce CGT gains from other CGT events. Please see Section 7 of this PDS for more detail on tax.

As set out in Section 7 of this PDS, the Australian Taxation Office (“ATO”) has examined deferred purchase agreements. It is important that potential Investors carefully review the comments in Section 7, as regards the ATO’s views and the implications for the MLI.

Section 7 is provided in general terms only and is not tailored to any Investors’ specific circumstances. Investors should seek their own independent advice as to the tax consequences of investing in the MLI.

What happens at Maturity?

Approximately 20 Business Days before the Maturity Date, the Issuer will notify Investors of the upcoming Maturity by sending them a Maturity Notice.

At Maturity there are two options available to Investors. These options are:

Option 1: Elect to accept physical delivery of the Delivery Parcel on the Settlement Date; or

Option 2: Elect to take advantage of the Agency Sale Arrangement and receive the Sale Proceeds.

If Investors do not choose either option, the MLI will automatically default to physical delivery of the Delivery Assets. The Issuer will notify the Investor in the Maturity Notice of any Costs and Taxes (including GST) that are payable. At the date of this PDS the Issuer does not anticipate any Costs and Taxes are payable.

The option that is likely to be best for each individual Investor depends on their preferences; either way an Investor will be entitled to receive the same value.

Option 1 - Taking physical delivery of the Delivery Parcel

If an Investor wishes to take physical delivery of the Delivery Parcel, they do not need to do anything when they receive the Maturity Notice. By doing nothing, physical delivery will automatically apply.

If an Investor takes physical delivery, the Issuer or its nominee will purchase the Delivery Assets specified in the Delivery Parcel (less any Costs and Taxes) and register those Delivery Assets in the Investor’s name on the Settlement Date in accordance with the CHES details on the Maturity Notice returned by the Investor. If the Investor is not CHES sponsored or does not return the Maturity Notice, the Issuer or its nominee will register the Delivery Assets as an issuer-sponsored holding in the Investor’s name.

If any fraction of a share would otherwise be transferable by

the Issuer to the Investor, the Issuer will pay an amount equal to the value of the fraction of the share foregone, based on the Official Closing Level on the Maturity Date, provided that the amount exceeds AUD20. If the amount does not exceed AUD20, the Issuer is under no obligation to the Investor to make any payment for the fraction.

Option 2 - The Agency Sale Arrangement

To take advantage of the Agency Sale Arrangement to receive the Sale Proceeds of the Delivery Parcel, an Investor must:

- elect the Agency Sale Arrangement option on the Maturity Notice; and
- return the Maturity Notice to the Issuer by the Closing Time.

Under the Agency Sale Arrangement the Issuer will accept physical delivery of the Delivery Parcel on the Maturity Date on the Investor’s behalf and will then sell the Investor’s Delivery Parcel on the Investor’s behalf. The Issuer will pay the Investor the Sale Proceeds (which will equal the number of Delivery Assets sold multiplied by the Official Closing Level on the Trading Day immediately following the Maturity Date (see “How is the price of the Delivery Assets calculated?” below) less any Costs and Taxes) by cheque or directly into the Investor’s nominated Settlement Account. Payment will be made within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter.

If the Delivery Parcel includes any fractions of the Delivery Assets, the Issuer will transfer the equivalent value of the fractions into the Investor’s nominated Settlement Account or pay it to the Investor by cheque within 10 Business Days after the Settlement Date or as soon as reasonably practicable thereafter (in effect this is a reimbursement of a portion of the Investment Amount).

How is the price of the Delivery Assets calculated?

The Issuer will calculate the price of the Delivery Assets as either the price paid by the Issuer to acquire the Delivery Assets or the last traded price of the Delivery Assets at or around 4.05 pm Sydney time on the Maturity Date unless it is not possible to determine the price of the Delivery Asset at that time, in which case the Issuer may either:

- (i) nominate another time to determine the Official Closing Level; or
- (ii) determine the Official Closing Level to be the price determined by the Issuer as its best estimate of the Delivery Asset value at or around 4:05 pm Sydney time on the Maturity Date (or in the case of an Early Maturity, the Early Maturity Date).

What happens if an Investor does not make an election or fails to return the Maturity Notice?

Physical delivery will apply if:

- an Investor does not elect the Agency Sale Arrangement option on the Maturity Notice; or
- the Issuer does not receive an Investor's Maturity Notice by the Closing Time.

Can the MLI be terminated early?

Investors may terminate their investment in the MLI before the Maturity Date by contacting the Issuer and requesting in writing an Early Maturity for the full amount of the Investor's MLI. The Issuer may, in its absolute discretion, accept or reject the Investor's request. If the Issuer accepts, then the Issuer will send the Investor an Early Maturity Notice specifying an Early Maturity Date.

In the Early Maturity Notice, the Issuer will specify whether:

- (a) the normal Maturity process will apply (as set out in "What happens at Maturity?" on page 12); or
- (b) the Issuer will pay a Refund.

If the normal Maturity process applies, then the Investor will receive the Early Maturity Value which means the fair economic value of the MLI at or around 5:00 pm Sydney time on the Early Maturity Date as determined by the Issuer in its absolute discretion, unless it is not possible to determine the fair economic value of the MLI at that time, in which case the Issuer may nominate another time to determine the Early Maturity Value.

Without limiting the above, in determining the "Early Maturity Value" the Issuer may deduct any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms, and any cost of funding or any loss of bargain.

If the Issuer elects to pay a Refund, then the Investor will receive the amount determined by the Issuer in its absolute discretion and by whatever means the Issuer deems appropriate. Without limiting the foregoing, in determining the Refund, the Issuer may adjust the Refund for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain.

The Early Maturity Value or Refund will take into account all accrued Interest Rate Payments up until the Early Maturity Date. However, Investors will not be paid any interest in respect of the period after the Early Maturity Date.

It is important to note that the Issuer only provides the Capital Protection of the Investment Amount to Investors who hold the MLI on the Maturity Date. Capital Protection

is also subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). If an Investor requests Early Maturity they may well receive an amount less than the Investment Amount. Investors should refer to Section 2 of this PDS which discusses the risks associated with Early Maturity Events. Investors should also read clause 4 of the Terms to fully understand their rights and obligations if they request an Early Maturity.

Please note Capital Protection will not apply to the Early Maturity of the MLI.

Can the Issuer terminate early without Investor approval?

The MLI may be terminated early by the Issuer if an Early Maturity Event occurs.

Investors should refer to Section 2 of this PDS which discusses the risks associated with Early Maturity. Investors should also read clause 4 of the Terms to fully understand their rights and obligations if an Early Maturity Event occurs and to understand what events constitute an Early Maturity Event.

If an Early Maturity Event occurs, the Capital Protection feature of the MLI will not operate so the number of Delivery Assets or the Sales Proceeds from the Agency Sale Arrangement will be determined by reference to the fair economic value of the MLI or the Refund at around 5:00 pm Sydney time on the Early Maturity Date as determined by the Issuer in its absolute discretion. The Issuer may also deduct Break Costs in relation to the Early Maturity. The Early Maturity Value will take into account all accrued Interest Rate Payments up until the Early Maturity Date. However, Investors will not be paid any interest in respect of the period after the Early Maturity Date.

Can the Issuer change the Terms of the MLI?

The Terms may be amended or varied if an Adjustment Event or Early Maturity Event occurs or in certain other limited situations such as to comply with the law, or to correct an error or inconsistency in the Terms. Investors will be notified of any such changes. Investors should refer to Section 2 of this PDS which discusses the risks associated with Early Maturity Events or Adjustment Events. Investors should also read clause 5 of the Terms to fully understand their rights and obligations if an Adjustment Event occurs.

Does the MLI offer any Capital Protection?

The obligation to deliver to an Investor the Delivery Assets with a value equal to the Investment Amount and any return on the MLI is an obligation of the Issuer. Investors should be aware that the obligation to repay their initial Investment Amount does not apply if the MLI is terminated prior to the Maturity Date if the Investor has requested Early Maturity or an Early Maturity Event occurs.

The Issuer may, in limited circumstances, terminate the MLI prior to the Maturity Date if an Early Maturity Event occurs. However, Early Maturity Events are generally beyond the Issuer's control and the Issuer will only call for Early Maturity if, in its opinion, such an event has a material impact on the continued viability of the MLI. Clause 4 of the Terms (in Section 9 of this PDS) describes the events that constitute an Early Maturity Event.

The MLI may also be terminated early at the Investor's request. Investors should read clause 4 of the Terms and the Section titled "Can the MLI be terminated early?" (earlier in Section 1 of this PDS) to understand their rights and obligations if an Early Maturity occurs.

Capital Protection is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS). For more details, please refer to Section 2 of this PDS. Capital Protection is also subject to rounding and the deduction of any Costs and Taxes (see "What happens at Maturity?" in Section 1) of this PDS). As at the date of this PDS, the Issuer does not expect any Costs and Taxes to be incurred.

Capital Protection safeguards the investment from market risks but is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and the Guarantor. For more details, please refer to Section 2 of this PDS.

Capital Guarantee

The guarantee given to each Investor by the Guarantor is a continuous, irrevocable and unconditional guarantee of the due and punctual payment of all monies which may become actually or contingently payable to an Investor by the Issuer under or in conjunction with the MLI and the due and punctual performance of the Issuer's obligations under the Terms. Each Investor is entitled to severally enforce the guarantee. The Capital Guarantee is subject to the credit worthiness of the Guarantor (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS).

Any payments under the guarantee must be made to Investors in the same manner and currency as the Issuer would be required to make to satisfy its obligations under the MLI. The Guarantor must also pay interest on any amount payable by it under the terms of the guarantee during any period when it remains unpaid. All payments made by the Guarantor under the guarantee will be made free and clear and without any deduction for present or future taxes. If any law requires the Guarantor to withhold on account of any taxes then the amount payable by the Guarantor will be increased so that after making such withholding the Investor receives the same amount it would have received had no such withholding occurred.

Investors may obtain a copy of the deed of guarantee by contacting the Issuer on 1300 30 70 70.

Issue Size

The Issuer aims to raise the equivalent of at least AUD3 million, taking into account both AUD and USD Series of the MLI. If less than the equivalent of AUD3 million is raised, the Issuer may, in its absolute discretion, issue MLI anyway. However, the Issuer retains the discretion to reject any Applications. If the Issuer rejects Applications, the Investment Amounts will be returned to Applicants either by bank transfer or by cheque at the risk of the Applicant (without interest) within 10 Business Days after the Offer Closes.

Disputes concerning the MLI

The Corporations Act requires the Issuer to have procedures in place for dispute resolution. The Issuer's process for dispute resolution is available to Investors free of charge.

Investors may make a complaint relating to the MLI directly to the Issuer on 1300 30 70 70. The Issuer will take all steps necessary to investigate any complaint and seek a resolution.

If the outcome is unsatisfactory, Investors may refer their complaint to Financial Ombudsman Service ("FOS") at:

Financial Ombudsman Service

GPO Box 93
Melbourne, Victoria, 3001
Toll Free: 1300 78 08 08
Fax: +61 3 9613 6399
Email: info@fos.org.au

FOS is an independent dispute resolution scheme. In order for a complaint to be considered by FOS, the claim involved must be under the equivalent of AUD150,000.

Section 2 - Risks of investing in the MLI

Risk Factors

Early Maturity Risk

In certain circumstances the MLI may be terminated early where an Investor requests Early Maturity or an Early Maturity Event occurs. If an Early Maturity Event occurs, Investors will be given approximately 20 Business Days' notice of any proposed Early Maturity unless it is otherwise impracticable to do so. The Issuer only provides Capital Protection for the MLI at Maturity. Capital Protection is also subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited (Issuer) and Citigroup Inc. (Guarantor) (S&P A (Negative Outlook), Moody's A3 (Stable), A+ (Stable) as at the date of this PDS). For more details, please refer to Section 2 of this PDS. Prior to Maturity, Investors will receive the fair economic value of the MLI or the Refund (as determined by the Issuer) which will be based on various market factors such as volatility and time remaining to Maturity. This may result in the value of the MLI being less than the Investment Amount in instances where Early Maturity applies. In determining the fair economic value or the Refund the Issuer may deduct Break Costs in relation to the Early Maturity.

Market Risk and Economic Factors

The value of the MLI at any time will be affected by a number of market variables that change daily, such as volatility, the trading liquidity, prevailing and anticipated economic conditions, technological, legal or political conditions, other inter-related factors which affect the performance of markets generally and the interest rate markets specifically, and time remaining to Maturity.

Credit Risk

The Issuer is a wholly owned subsidiary of Citigroup Inc. (S&P A (Negative Outlook), Moody's A3 (Stable); Fitch: A+ (Stable) as at the date of this PDS), a diversified global financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers with more than 200 million customer accounts doing business in more than 100 countries.

Copies of financial statements of Citigroup Inc., can be found on <http://www.citiwarrants.com.au/library/financials/>. Hard copies of those financial statements can be obtained by calling Citi on 1300 30 70 70.

The value of the MLI depends on the ability of the Issuer to perform its obligations under the Terms and the ability of the Guarantor to perform under its guarantee of the Issuer's obligations. These obligations are unsecured contractual obligations of the Issuer and Guarantor and will rank equally with the other unsecured obligations and debt of the Issuer and Guarantor other than liabilities mandatorily preferred by law.

Investors must make their own assessment of the ability of the Issuer and Guarantor to meet their obligations in respect of the MLI. Nothing in this PDS is, or may be relied upon as being, a representation as to any future event or a promise as

to the future of the ability of the Issuer or the Guarantor to perform their obligations.

The Issuer also has the right to transfer its obligations by giving notice to Investors in accordance with the Terms (see clause 14.9(a) of the Terms).

Liquidity Risk

It is at the Issuer's absolute discretion to permit Early Maturity once a week. However, the MLI obtains exposure to the Interest Rates using over the counter ("OTC") transactions. These OTC transactions must be unwound to allow Early Maturity and consequently the MLI may be illiquid and Break Costs and Taxes may be significant.

The MLI is not quoted on the ASX or any other financial market. The MLI is transferable with the consent of the Issuer (for more detail please refer to clause 14.9(b) of the Terms) but there is no guaranteed ability to sell a MLI before Maturity.

Event Risk

There may be adjustments to the Terms of the MLI due to Adjustment Events such as (but not limited to) mergers and disposals, price source disruption, trading suspension and changes in Corporations Act or taxation laws as set out in the Terms.

Exercise of Discretion by the Issuer

Investors should note that a number of provisions of the Terms confer discretions on the Issuer and its associates which could affect the value of the MLI. These include the powers to nominate Adjustment Events and Early Maturity Events, to substitute the Delivery Assets, to adjust or modify the method of any calculation as set out or used in the Terms and to make adjustments to the terms of the MLI as contemplated in the Terms.

Tax Risk

We recommend that Investors seek independent tax advice before making an investment in the MLI. The Issuer is not in the business of providing tax advice and therefore cannot be relied upon to advise on, nor takes any responsibility for, the taxation implications in respect of an investment in the MLI.

In particular, Investors should note that Section 7 of this PDS assumes that Investors will take physical delivery of, and hold, the Delivery Assets for the purposes of deriving assessable dividends.

Change of Law Risk

Changes to laws or their interpretation in Australia, including taxation and corporate regulatory laws could have a negative impact on the return of Investors.

As set out in Section 7 of the letter in Section 7 of this PDS, the Australian Taxation Office has recently examined deferred purchase agreements. It is important that potential

Investors carefully review the comments in Section 7, as regards the ATO views and the implications for the MLI.

Potential Conflicts of Interest

The Issuer and other Citi companies may be, as a result of investment banking or other engagements, in possession of material price sensitive information relating to the Delivery Assets. However consistent with our long standing policy to hold in confidence the affairs of our customers, we will not use confidential information obtained from customers, except in connection with our services to that customer. We may also conduct transactions as principal or as agent in various financial instruments, including the Delivery Assets. These investment banking activities, trading activities or any other activities of Citi may affect (positively or negatively) the price at which the Delivery Assets trade at any point in time.

Citi may have a potential conflict of interest of which you are not aware and which we are unable to disclose to you.

Investment Decisions

The information in this PDS is intended to provide Investors and their professional advisers the information they would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the capacity of the Issuer to fulfil its obligations under the MLI and the risks, rights and obligations associated with the MLI. It is impossible in a document of this type to take into account the investment objectives, financial situation and particular needs of each Investor. Accordingly, nothing in this PDS should be construed as a recommendation by the Issuer or any associate of the Issuer or any other person concerning investment in a MLI.

Readers should not rely on this PDS other than in respect of those matters referred to above, and should not rely on it as the sole basis for any investment decision in relation to a MLI, or any other financial product.

Currency risk

The USD Series is denominated in United States Dollars ("USD"). The Issue Price for the USD Series must be paid in USD. Accordingly, if an Investor holds Australian Dollars or any other currency which is not USD, that currency will need to be converted to USD before the Investor invests in the USD Series. Such Investors may be subject to currency risk. If the Investor chooses to use the Agency Sale Agreement, there is currency risk if the exchange rate at the time the Issuer purchases and delivers the Delivery Assets and sells those Delivery Assets under the Agency Sale Agreement are not the same. Currency risk is the risk that the value of an investment in the USD Series in non-USD terms changes relative to its value in USD. In particular, Investors should be aware that if the non-USD currency was to appreciate in value against the USD, the value of the investment in the MLI in non-USD terms would decrease, and vice versa.

Section 3 - Interest Rate Payment examples

The calculations in this Section are illustrative examples designed to indicate how an investment in the MLI would perform when held to Maturity. The Interest Payment Dates shown in each of the examples are based on existing Business Day calendars and are subject to change without notice. For Interest Rate Payment calculations, the examples assume an Investment Amount of AUD1,000,000 (AUD Series) or USD1,000,000 (USD Series).

Investors whose Postal Address or Settlement Account, as provided on the Application Form, is outside Australia will be subject to interest withholding tax on Interest Rate Payments paid by the Issuer. The rate of interest withholding tax is currently 10% and will be deducted from the payments shown below.

Example 1 - AUD Series

In this first example, we describe an Investment in the MLI (AUD Series).

The table below shows the Interest Payment Dates over the life of the MLI and the corresponding Interest Rate Payments payable to an Investor in the AUD Series.

Interest Payment Dates	Interest Rate (% p.a.)	Interest Rate Payment (% of notional Investment Amount)	Interest Rate Payment (on AUD1 million Investment Amount)
Mon, 31-Aug-09	7.00%	1.75%	17,500.00
Mon, 30-Nov-09	7.00%	1.75%	17,500.00
Mon, 1-Mar-10	7.00%	1.75%	17,500.00
Mon, 31-May-10	7.00%	1.75%	17,500.00
Mon, 30-Aug-10	7.00%	1.75%	17,500.00
Mon, 29-Nov-10	7.00%	1.75%	17,500.00
Tue, 1-Mar-11	7.00%	1.75%	17,500.00
Mon, 30-May-11	7.00%	1.75%	17,500.00
Mon, 29-Aug-11	7.00%	1.75%	17,500.00
Tue, 29-Nov-11	7.00%	1.75%	17,500.00
Wed, 29-Feb-12	7.00%	1.75%	17,500.00
Tue, 29-May-12	7.00%	1.75%	17,500.00
Wed, 29-Aug-12	7.00%	1.75%	17,500.00
Thu, 29-Nov-12	7.00%	1.75%	17,500.00
Fri, 1-Mar-13	7.00%	1.75%	17,500.00
Wed, 29-May-13	7.00%	1.75%	17,500.00

In this scenario the Investment yields 7.00% p.a. paid Quarterly in arrears which is a total return of 28.00% over the 4 year life of the MLI.

Example 2 - USD Series

In this second example, we describe an Investment in the MLI (USD Series).

The table below shows the Interest Payment Dates over the life of the MLI and the corresponding Interest Rate Payments payable to an Investor in the USD Series.

Interest Payment Dates	Interest Rate (% p.a.)	Interest Rate Payment (% of notional investment Amount)	Interest Rate Payment (on USD1 million Investment Amount)
Mon, 31-Aug-09	4.75%	1.1875%	11,875.00
Mon, 30-Nov-09	4.75%	1.1875%	11,875.00
Mon, 1-Mar-10	4.75%	1.1875%	11,875.00
Mon, 1-Jun-10	4.75%	1.1875%	11,875.00
Mon, 30-Aug-10	4.75%	1.1875%	11,875.00
Mon, 29-Nov-10	4.75%	1.1875%	11,875.00
Tue, 1-Mar-11	4.75%	1.1875%	11,875.00
Tue, 31-May-11	4.75%	1.1875%	11,875.00
Mon, 29-Aug-11	4.75%	1.1875%	11,875.00
Tue, 29-Nov-11	4.75%	1.1875%	11,875.00
Wed, 29-Feb-12	4.75%	1.1875%	11,875.00
Tue, 29-May-12	4.75%	1.1875%	11,875.00
Wed, 29-Aug-12	4.75%	1.1875%	11,875.00
Thu, 29-Nov-12	4.75%	1.1875%	11,875.00
Fri, 1-Mar-13	4.75%	1.1875%	11,875.00
Wed, 29-May-13	4.75%	1.1875%	11,875.00

In this scenario the Investment yields 4.75% p.a. paid Quarterly in arrears which is a total return of 19.00% over the 4 year life of the MLI.

Section 4 - Information about the Delivery Assets

At Maturity, the Issuer is required to deliver to Investors the Final Value per MLI multiplied by the number of MLI units held by the Investor. The Issuer will notify the Investor in the Maturity Notice of any Costs and Taxes (including GST) that are payable. At the date of this PDS the Issuer does not anticipate any Costs and Taxes are payable. The Issuer has agreed to deliver that Total Value to the Investor in the form of shares in Commonwealth Bank (the "Delivery Assets") on the Settlement Date if:

- an Investor does not elect the Agency Sale Arrangement option on the Maturity Notice; or
- the Issuer does not receive an Investor's Maturity Notice by the Closing Time.

This section of the PDS provides some further information about the Delivery Assets.

Information about the Delivery Assets

Commonwealth Bank is one of Australia's leading financial services providers. Financial services offered by Commonwealth Bank include retail, institutional and business banking, funds management, superannuation, insurance, investment and broking services. Commonwealth Bank is currently one of the largest listed companies on the Australian Stock Exchange.

The performance of the MLI and the Final Value per MLI are not only affected by the performance of the Delivery Assets over the investment period. However, Investors who elect to receive the Delivery Assets at Maturity should be aware that following delivery of the Delivery Assets the value of their Delivery Assets will be affected by changes in the price of Commonwealth Bank as traded on the ASX.

Commonwealth Bank is subject to continuous disclosure obligations and makes regular releases to the ASX that are publicly available.

Investors can also obtain more exhaustive information from the Commonwealth Bank website including pricing and company information.

The Issuer makes no recommendation, representation or assurance about the performance or prospects of Commonwealth Bank.

The Commonwealth Bank had no involvement in this PDS

References in this PDS to Commonwealth Bank are also included for the purpose of identification of the shares that comprise the Delivery Assets and the Delivery Parcel. These references are not an express or implied endorsement by Commonwealth Bank, or any of its related entities, of the MLI.

No member of the Commonwealth Bank group of entities has had any involvement in the preparation of any part of this PDS, accepts responsibility for any statement in this PDS, or has been involved in or consented to the issue of this PDS.

Changes to the Delivery Assets

If an Adjustment Event occurs the Issuer may substitute the Delivery Asset with any other security quoted and trading on ASX.

The Issuer will notify Investors of any such changes and it will carry out the adjustment so as to put both the Investor and the Issuer in substantially the same economic position as if the Adjustment Event had not occurred. If this is not possible then there may be an Early Maturity. Investors should read clause 5 of the Terms to fully understand their rights and obligations if an Adjustment Event occurs.

Section 5 - Fees associated with the MLI

Investors do not pay any direct fees to the Issuer associated with an investment in the MLI.

There will be no commission, establishment fee or ongoing management fee payable to the Issuer in respect of the MLI. However, the Issuer reserves the right to pass on to Investors any unforeseen Costs and Taxes (including GST). The Issuer will notify the Investor of any such Costs and Taxes (including GST) in the Maturity Notice. At the date of this PDS the Issuer is not aware of any Costs and Taxes payable.

Should the MLI terminate early, the Issuer may charge the Investor any Break Costs associated with the early termination. The Break Costs may include all costs, expenses and losses incurred by the Issuer and notified by the Issuer as payable by the Investor as a result of the early termination, unwind of a hedge position or any loss of profits that the Issuer may suffer as a result of the early termination. The Break Costs may be substantial. The Issuer will notify the Investor of such Break Costs in the Early Maturity Notice and will also provide indicative Break Costs prior to Early Maturity if requested and where possible.

The Issuer may profit from its ability to manage the underlying risk associated with the investment of the MLI and its responsibilities as Issuer of the MLI. However, the calculation of the Final Value per MLI is as set out in this PDS and is independent of any income or profits earned by the Issuer.

The Issuer may pay distributors, brokers and financial advisers (including Citibank, N.A. and Citigroup Pty Limited) a placement fee and/or an annual fee (including GST) in connection with the sale and distribution of the MLI. These fees may be paid by the Issuer to its related bodies corporate. These fees will be paid by the Issuer at no additional cost to Investors.

In addition, the Issuer will pay to distributors an upfront Distributor Fee of up to 2.50% (including GST) of the Investment Amount and may also pay an additional Volume Based Fee of up to 0.75% (including GST) of the Investment Amount. For more details on commission and benefits paid to financial advisers, Investors should refer to the financial services guide or statement of advice prepared by their financial adviser. Financial advisers should follow ASIC guidelines in relation to disclosure of all fees. Investors should always discuss fees and their benefits with an adviser.

Section 6 - Information about the Issuer and Guarantor

Who is the Issuer?

The Issuer of the MLI is Citigroup Global Markets Australia Pty Limited. The Issuer is a wholly owned subsidiary of Citigroup Inc. (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS), and a member of the Citigroup Inc group of companies ("Group"). Citigroup Inc. guarantees the performance of the Issuer's obligations under this PDS and the Terms, but does not guarantee the performance of the MLI.

The Group has been in the Asia Pacific region for more than 100 years and today provides more services in more markets for more clients than any other financial institution. The Group counts as valued clients 10 million customers across 18 countries and territories.

General Information about Citigroup Inc.

Citigroup Inc. (S&P A (Negative Outlook), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS), a leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Citigroup Inc.'s major brand names include Citibank, CitiFinancial, Primerica, Smith Barney, Banamex, and Nikko. Additional information may be found at www.citigroup.com or www.citi.com.

The principal executive offices of the companies are located at 399 Park Avenue, New York, New York 10043, U.S.A.

Citi in Australia and New Zealand

The Group established a presence in Australia in 1971 and in New Zealand in 1982. In 1984, the Group's securities and investment banking business commenced operations and in 1985 Citibank Pty Limited (now Citigroup Pty Limited) became the first foreign bank to be granted an Australian banking licence. Today, the Group provides financial services to more than 1 million consumers and over 900 corporate clients in Australia and New Zealand.

Copies of financial statements of the Issuer can be found on: <http://www.citiwarrants.com.au/library/financials/>

Hard copies of those financial statements can be obtained free of charge by calling Citi on 1300 30 70 70.

No Citi company other than the Issuer makes any statements or representation in this PDS.

Section 7 - Tax considerations

Greenwoods & Freehills

30 April 2009

The Directors
Citigroup Global Markets Australia Pty Limited
Level 21
Citigroup Centre
2 Park Street
SYDNEY NSW 2000

Dear Directors,

**MLI Income Earner – Deferred Purchase Agreement
AUD Series 2009 – 03 & USD Series 2009 – 03
Australian tax implications**

We have been asked by Citigroup Global Markets Australia Pty Limited (“**Issuer**”) to prepare a taxation report for inclusion in a Product Disclosure Statement (“**PDS**”) to be dated on or about 1 May 2009, in relation to the Market Linked Investment Income Earner Deferred Purchase Agreement AUD Series 2009 – 03 and USD Series 2009 – 03 (“**MLI**”).

1 Scope

In this letter we provide an analysis of the main Australian income tax, and goods and services tax (“**GST**”) implications arising for persons (“**Investors**”) who acquire interests in the MLI, in accordance with the terms of the PDS.

It is important for Investors to note that this letter is limited to a consideration of the indicative tax position of Investors who are residents of Australia for tax purposes including individuals, companies and complying superannuation entities and;

- who do not carry on the business of trading or dealing in securities; and
- who hold their MLI investment for the purpose of realising a long term return (i.e. hold their investment on capital account for tax).

In particular, it is assumed that Investors will take physical delivery of their Delivery Assets (i.e. ordinary shares in the Commonwealth Bank of Australia (“**Commonwealth Bank**”)) on the Settlement Date and hold such Delivery Assets for the purpose of deriving assessable dividends, rather than utilising the Agency Sale Arrangement. Investors who do not have such an intention, or who seek an Early Maturity, are not considered in this letter. In such situations, Investors may be subject to other provisions of tax law, including the possible recognition of

gains and losses under the ordinary assessing provisions, rather than by reference to the capital gains tax (“CGT”) provisions and related discounting rules discussed further below.

The information contained in this letter is of a general nature only and does not attempt to address all of the tax implications that may be relevant. Prospective Investors should not rely on the information contained in this letter and should seek independent taxation advice in light of their own particular facts and circumstances.

This letter does not consider the deductibility of funding costs in relation to Investors who borrow money in order to make their investments in the MLI. Such Investors should seek their own advice on this issue.

The representatives of Greenwood & Freehills Pty Limited involved in preparing this letter are not licensed to provide financial product advice in relation to dealing in securities. Accordingly, Greenwood & Freehills Pty Limited does not seek to recommend, promote or otherwise encourage any party to participate in the MLI.

Applicants should consider seeking advice from a suitably qualified Australian Financial Services Licence holder before making any investment decision. Applicants should also note that taxation is only one of the matters that may need to be considered.

This letter is based on Australian tax laws and practices applicable as at the date of this letter. Investors should be aware that such laws and practices may change during the term of the MLI.

All references in this letter to legislative provisions are references to provisions of the *Income Tax Assessment Act 1936* or the *Income Tax Assessment Act 1997* (each the “Act”), as applicable. Capitalised terms not defined in this letter have the same meanings as in the PDS.

2 Tax treatment of Interest Rate Payments

Investors should include Interest Rate Payments received on their MLI in their assessable income.

Where an Investor acquires a USD Series MLI, for tax purposes the Investor should translate the USD amount of an Interest Rate Payment to AUD using the prevailing USD/AUD spot exchange rate at the time of receipt.

3 Tax treatment of gains and losses arising from an investment in the MLI

3.1 Introduction

Under the MLI, an Investor agrees to purchase the Delivery Assets (including the Portion) and elects to either accept physical delivery of the Delivery Assets on the Settlement Date or to take advantage of the Agency Sale Arrangement and receive the Sale Proceeds. On the Settlement Date the Issuer will be required to deliver the Delivery Assets to the Investor.

Having regard to the comments above as to the scope of this letter, i.e. it has been assumed that an Investor holds their investment in the MLI and the Delivery Assets as capital assets, any gains made by an Investor in relation to the MLI and the Delivery Assets should be subject to taxation under the CGT rules of the Act.

In Taxation Determination TD 2008/21, the Commissioner of Taxation (“**Commissioner**”) has reached the view that any gain or loss on a typical deferred purchase agreement (“**DPA**”) would generally be on capital account. However, a gain or a loss will be on revenue account and assessable as ordinary income, or allowed as an ordinary deduction, where the transaction is entered into as an ordinary incident of carrying on a business or in a business operation or commercial transaction with a purpose of profit-making.

3.2 Application of the Commissioner's views on DPAs to the MLI

In another Taxation Determination, TD 2008/22, the Commissioner has reached the view that two taxing points for CGT purposes will arise in a typical DPA. This Determination sets out the features of a DPA that is covered by the Commissioner's views therein. The MLI has some differences to the features set out in TD 2008/22. However, in our opinion, the outcomes set out in that Determination (and TD 2008/21) should equally apply to the MLI. Accordingly, set out below is our expectation as to how the Commissioner would treat the gains or losses made by an Investor on the MLI.

First taxing point – delivery of the Delivery Assets

Under the approach in TD 2008/22, a “CGT event” (known as CGT event C2) will happen when the Delivery Assets are delivered to an Investor in the MLI on the Settlement Date, even if the Investor continues to hold their Commonwealth Bank shares beyond that date. The Commissioner has reached the view that in the case of typical DPAs, CGT will apply to an unrealised gain or loss at the time of the delivery of the relevant delivery assets, on the basis that the investor's contractual rights under the DPA are separate and distinct assets to the actual delivery assets.

Capital Loss

Any capital loss realised by an Investor upon delivery of the Delivery Assets (i.e. where the then market value of the Delivery Assets is less than the Investor's reduced CGT cost base upon entering into the MLI) may be applied to offset capital gains (before any discounting) realised in the same year of income or may be carried forward to future years. Capital losses are not able to be applied against ordinary income. The reduced cost base will be the Investment Amount paid by the Investor upon Application (together with any applicable brokerage costs and professional advisory fees).

Capital Gain

Where an Investor acquires the USD Series MLI, the cost base of the CGT asset, for the purposes of the first taxing point, will be equal to the USD-denominated Investment Amount translated to AUD by applying the USD/AUD spot exchange rate on the Issue Date. The capital proceeds for the purposes of the first taxing point will be the market value of the Delivery Assets at the maturity of the MLI expressed in AUD. Accordingly, for Investors in the USD Series, but not for Investors in the AUD Series, it is possible that a CGT gain may arise upon the delivery of the Delivery Assets, being any excess of those capital proceeds over the cost base.

As a practical matter, where an Investor intends to retain their Delivery Assets beyond the Settlement Date, they will need to fund the tax liability in relation to any capital gain from other sources, given that they will have no realised gain/cash from their MLI investment at that point.

Taxation of other foreign currency gains or losses

An Investor in the USD Series MLI should seek their own advice as regards the tax implications (if any) arising from any gain or loss applicable to the disposal of the USD used to make their MLI investment, and/or from any foreign currency transactions arising upon the disposal of Delivery Assets.

Capital gains discount concession – application at the first taxing point

An Investor in the USD Series MLI, who is a natural person, a trust, or a complying superannuation entity may be entitled to the CGT discount concession on any capital gain realised at the first taxing point, i.e. on receipt of the Delivery Assets (after first offsetting any capital losses). Individuals and trustees are entitled to a discount of 50%, while complying superannuation entities are entitled to a discount of 33.33% of the net gain.

Investors should note that the CGT discount concession only applies to reduce the net capital gain made in relation to CGT assets which are held for a continuous period of not less than 12 months. This requirement should be met by all Investors, in the USD Series MLI, with the exception of those Investors who are permitted to make an Early Maturity within 12 months after making an investment in the MLI, given that the 12 month period will be measured from the inception of the Investment (i.e. upon entry into the MLI) and not from the Settlement Date.

Second taxing point – sale of the Delivery Assets

Under the approach in TD 2008/22, a separate/additional CGT gain or loss would arise when an Investor sells their Delivery Assets, i.e. at a date later than the Settlement Date, assuming they have chosen to accept physical delivery of their Commonwealth Bank shares.

The Commissioner accepts in TD 2008/22 that the CGT cost base of the relevant delivery assets in a typical DPA will be their market value on the Settlement Date. The approach in TD 2008/22 should apply to Investors in the MLI. As a result, no question of “double tax” in relation to the overall gain from an investment in the MLI should arise. That is, any gain on disposal of the Delivery Assets would only reflect any increase in value of the Commonwealth Bank shares from the Settlement Date to the date of disposal.

Under TD 2008/22, the Delivery Assets (i.e. Commonwealth Bank shares) themselves would need to be held for at least 12 months in order to benefit from any available CGT discount concession as regards any capital gain upon their subsequent disposal. That is, for the purposes of the second taxing point, the 12 months will run from the Settlement Date and not the Issue Date.

Any capital loss realised by an Investor upon the disposal of a Delivery Asset (i.e. where the disposal proceeds are less than the market value of the Delivery Asset on the Settlement Date) may be applied to offset capital gains (before any discounting) realised in the same year of income or may be carried forward to future years. Capital losses are not able to be applied against ordinary income.

4 Dividends on Delivery Assets

An Australian Investor's assessable income will generally include any dividends and the amount of any franking credits attached to dividends paid on the Delivery Assets (i.e. Commonwealth Bank shares) after the Settlement Date. Franking credits will be included in an Investor's assessable income, and the Investor will generally be entitled to a corresponding tax offset (rebate).

Where franking credits are attached to dividends paid on the Delivery Assets, to be eligible for the franking credit and tax offset, the Investor must generally have held the Delivery Assets "at risk" for a period of at least 45 days (not including the date of acquisition or the date of disposal). For these purposes an Investor is taken to acquire the Delivery Assets on Settlement Date, so that the period during which they hold a Beneficial Interest in the Delivery Assets does not count towards the holding period. The 45 day rule should not apply to an Investor if the Investor is an individual whose tax offset entitlement (on all shares and interests in shares held) does not exceed \$5,000 for the income year in which the franked dividend is paid. If an Investor enters into put or call options (or other derivatives) in relation to their Delivery Assets, this may affect whether the shares are sufficiently held "at risk" for the purposes of the franking rules, and specific advice should be sought.

Although certain changes to the tax law have affected the applicability of the abovementioned holding period rules, the previous Government indicated in a press release dated 27 September 2002 that it intended to amend the law to ensure that these rules continue to apply without substantive change. As at the date of this letter, no legislation has been enacted in this regard. The ATO has indicated that it will continue to apply the rules as a matter of administrative practice.

Where the Investor is an individual, a complying superannuation entity or a registered charity (in certain circumstances), the Investor will generally be entitled to a refund to the extent that the franking credits attached to the Investor's dividends exceed the Investor's tax liability for the income year. Where the Investor is a company, any franked dividends the Investor receives will generally give rise to a franking credit in the Investor's franking account.

5 Qualifying and traditional securities

The Act currently contains provisions, in Division 16E of Part III, that impose tax on an accruals basis on holders of "qualifying securities", being certain debt-like securities where some or all of the income under that security is deferred. For example, securities issued at a large discount to face value, or where income is otherwise deferred, often bring those rules into operation. Where Division 16E applies, the discount or deferred income is taxed to the holder over the term of the security so as to prevent the deferral of tax.

Division 16E only applies to a "qualifying security", as that term is defined in the Act. In our view, an investment in the MLI should not be regarded as comprising a "qualifying security", such that Division 16E should have no application to an Investor. The Commissioner's approach in TD 2008/21 supports this view.

The Act also contains rules, in sections 26BB and 70B, that deem gains and most losses on the acquisition and disposal of "traditional securities" to be of an ordinary rather than a capital nature for tax purposes. In our view, an MLI investment should not be a "traditional security" for the purposes of these rules. The Commissioner's approach in TD 2008/21 supports this view.

6 The general anti-avoidance rule: Part IVA

The general anti-avoidance rule, contained in Part IVA of the Act, gives the Commissioner the power to issue a determination which, generally speaking, cancels a “tax benefit” obtained by a taxpayer in connection with a scheme entered into or carried out by a person where a party to the scheme has a sole or dominant purpose, objectively determined, of obtaining the tax benefit for the taxpayer. An example of a tax benefit is an amount that is not included in the assessable income of a taxpayer, which would have been, or could reasonably be expected to have been, included if the scheme did not take place.

It is difficult to predict how the Commissioner or a Court may form a judgment in the future. Nonetheless, having regard to Investors within the scope of this letter as set out earlier, in our opinion the general anti-avoidance provisions contained in Part IVA should not apply to a given Investor in relation to their investment in the MLI. However, we note that there may be additional factual circumstances applicable to any given Investor of which we are unaware that could result in a different conclusion being formed in the future by either the Commissioner or a Court.

7 Tax reform

Legislation as regards reforms to the taxation of financial arrangements (“TOFA”) has recently been enacted. The TOFA reforms will impact upon the tax treatment of a wide range of financial transactions. The new measures will apply on a mandatory basis from 1 July 2010 for qualifying taxpayers and arrangements, but with an optional start date of 1 July 2009. The new regime will only apply on a mandatory basis to financial arrangements acquired on/after those dates, although taxpayers are able to elect to include transactions undertaken before those dates.

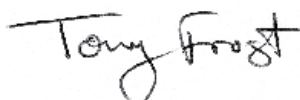
Accordingly, given the timing of the transactions anticipated in the PDS (and without need to consider what arrangements and taxpayers are included or excluded from the TOFA regime) the TOFA rules should have no potential impact on an Investor as regards the MLI, unless relevant elections were to be made by an Investor.

8 GST

Investors should not be liable to GST by reason of their acquisition, ownership and disposal of an investment in the MLI and the Delivery Assets.

* * *

Yours faithfully
GREENWOODS & FREEHILLS PTY LIMITED



per:
Tony Frost
Director

Section 8 - Additional information

Consents

Greenwoods & Freehills Pty Ltd (“Greenwoods & Freehills”) has given, and not withdrawn its written consent to being named as having acted as tax adviser to the Issuer in connection with the issue of the MLI pursuant to this PDS. It has, in that capacity, provided the tax opinion in the Tax Considerations section of this PDS (Section 7). Greenwoods & Freehills otherwise takes no responsibility for this PDS. Greenwoods & Freehills does not make any statement in this PDS nor does any statement in this PDS purport to be based on a statement made by Greenwoods & Freehills except for Section 7 - Tax Considerations.

Freehills has given, and not withdrawn, its written consent to being named as lawyers to the issue in the form and context in which it is named. Freehills has not provided any taxation advice in, or in relation to, this PDS and has not authorised or caused the issue of this PDS. Freehills does not make, or purport to make, any statement in this PDS or any statement on which a statement in this PDS is based except as stated in this paragraph. Freehills takes no responsibility for any part of this PDS to the maximum extent permitted by law other than references to its name to which it has consented.

Neither Freehills nor Greenwoods & Freehills have authorised or caused the issue of this PDS.

Experts' and advisers' interests

Except as set out in this paragraph, no expert and no firm in which an expert is a partner, has at the date of this PDS any material interest in connection with the formation or promotion of either the Issuer or the MLI.

Freehills and Greenwoods & Freehills will receive fees for their professional services in connection with this PDS as advisers to the Issuer. Some partners or directors of those firms may from time to time have an interest in the MLI, the Delivery Assets or securities in a related entity of the Issuer.

Directors' and related entity interests

Except as set out in this paragraph, the Issuer and its related bodies corporate are not associated with and have no access to information concerning the Delivery Assets other than that which is in the public domain. Neither the Issuer nor its related bodies corporate, nor any director or proposed director of the Issuer, nor any firm in which a director or proposed director of the Issuer is a partner, has, at the date of this PDS, any material interest in connection with the formation or promotion of either the Issuer, the MLI or the Delivery Assets except that:

- the Issuer earns brokerage at normal commercial rates on transactions in relation to the MLI which it undertakes. This is at no additional cost to the Investor;
- Citigroup Inc. group of companies, as part of their employee remuneration arrangements, conduct an incentive system based on the success of their activities. The directors and senior executive officers of the Issuer, being also employees of a Citigroup Inc. company, participate in these incentive remuneration arrangements;

- the Issuer and its related bodies corporate, as part of its investment banking and stockbroking business, may from time to time advise or act for the issuer of financial instruments dependant on the Delivery Asset, or advise or act for other clients in relation to the Delivery Asset, or publish research reports on the Delivery Asset. Investors will not be notified of these activities, or the content of such reports; and
- the Issuer or an associate or related body corporate may from time to time hold financial instruments dependant on the Delivery Assets for trading purposes, including market making, or to hedge the MLI. Related bodies corporate of the Issuer may deal in the financial instruments dependant on the Delivery Assets, options and other derivative contracts in respect of them.

Privacy Statement

We will only collect personal information necessary for the products or services you request. The information we collect from you on the Application Form and which we acquire from you or other people (such as distributors of the MLI and your licensed broker or financial adviser) during the course of managing the MLI is required to process your MLI Application, manage your investment and comply with relevant laws.

We may use this information to send you information about other investment products. If at any time you receive information from us about our products and do not wish to receive further correspondence, please let us know. You can also tell us if you do not wish to receive this information from the outset on the Application Form. We may also disclose information about you to third party service providers who assist us in our business operations and service provision. These service providers may include distributors of the MLI or your licensed broker or financial adviser.

We may also disclose information about you to process your Application, manage your investment, comply with relevant laws or as otherwise permitted under the Privacy Act 1988 (Cth).

We store information about you in databases which may be maintained outside Australia by other Citi companies. On request, we will provide you with a copy of any personal information which we hold about you. We will inform you beforehand if there is any charge associated with providing this information to you. If you do not provide us with the personal information which we request, we may not be able to provide a service, issue the MLI or may be required by law to take particular actions such as deducting taxation at the top marginal rate, plus the Medicare Levy.

Further information about our privacy practices can be found by requesting a copy of our privacy policy.

If you have any queries please contact the Citi Privacy Officer:

Citi Privacy Officer
GPO Box 204
Sydney NSW 2001
Telephone: +61 2 8225 1000
E-mail: privacy.officer@citi.com.au

Section 9 - Terms and conditions

Market Linked Investment ("MLI")

These Terms (including those set out in the Term Sheet) form the terms and conditions on which the person named in the Application Form (the "Investor" or "Applicant") agrees to acquire in the future the Delivery Parcel from the Issuer under the MLI. Capitalised words are defined in clause 15 of these Terms.

1. Applications and Acceptance

1.1 Offer by the Applicant

An Applicant may make an offer to the Issuer to acquire the Delivery Parcel from the Issuer on a deferred basis in accordance with these Terms:

- (a) by completing and returning to the Issuer a valid Application Form before the Offer Close Time; and
- (b) by ensuring that an amount equal to the Investment Amount is received by the Issuer in cleared funds by the Offer Close Time.

1.2 Investor bound by Terms

By signing the Application Form and lodging it with the Issuer, the Investor agrees to be bound by these Terms.

1.3 Acceptance of the offer by the Issuer

- (a) The Issuer may decide in its absolute discretion whether or not it will accept the Applicant's offer to acquire the Delivery Parcel from the Issuer.
- (b) If the Issuer decides that it will accept an Application and provided that the Issuer has received the Investment Amount in cleared funds by the Offer Close Time (or such other time if otherwise accepted by the Issuer in its discretion), acceptance of the Applicant's offer will take place on, and the parties' rights and obligations under these Terms will commence on, the Issue Date.
- (c) For each \$1.00 of Investment Amount paid the Applicant will be entitled to one MLI unit. If the Investment Amount is paid in Australian Dollars then the MLI will be issued in the AUD Series. If the Investment Amount is paid in United States Dollars then the MLI will be issued in the USD Series.
- (d) Within 10 Business Days of the Issue Date, the Issuer will send to the Investor a notice acknowledging either the acceptance or rejection of the Applicant's offer.

2. Deferred purchase of Delivery Assets

2.1 Purchase of Delivery Assets

The Investor agrees to purchase from the Issuer on the Maturity Date the Delivery Parcel for the Investment Amount (which will be paid by the Investor in accordance with clause 2.2). Following Maturity, the Issuer will deliver the Delivery

Parcel to the Investor in accordance with clause 3.

2.2 Payment of the Investment Amount

- (a) The Investor must pay the Investment Amount to the Issuer in cleared funds by the Offer Close Time.
- (b) The minimum Investment Amount that will be accepted by the Issuer under these Terms is the minimum amount set out in the Term Sheet.

3. Maturity and Settlement of deferred purchase

3.1 Notice of Maturity

The Issuer will give a Maturity Notice to the Investor approximately 20 Business Days before the Maturity Date.

3.2 Effecting Maturity

- (a) The Investor must complete the deferred purchase of the Delivery Parcel by returning the Maturity Notice to the Issuer on or before the Closing Time, specifying in the Maturity Notice that the Investor will accept physical delivery of the Delivery Parcel or that the Investor will use the Agency Sale Arrangement.
- (b) If the Issuer:
 - (i) does not receive the Investor's Maturity Notice by the Closing Time; or
 - (ii) receives the Investor's Maturity Notice by the Closing Time and the Investor has not elected in the Maturity Notice to accept either physical delivery of the Delivery Parcel or to use the Agency Sale Arrangement,

the Investor will be deemed to have elected physical delivery of the Delivery Parcel and the deferred purchase will complete.

3.3 Physical delivery of the Delivery Assets to the Investor

If the Investor has elected on the Maturity Notice to accept physical delivery of the Delivery Parcel or the Investor is deemed to have so elected under clause 3.2(b):

- (a) the Issuer (either itself or through a nominee) will procure the performance of all acts required of a transferor of marketable securities under the ASTC Settlement Rules to enable the Delivery Parcel to be transferred to the Investor on the Settlement Date or as soon as possible thereafter, free from any security interest or third party interest or restriction on transfer (other than one that has been accepted by the ASX for the purposes of quotation of the property comprising the Delivery Assets); and
- (b) the Investor irrevocably authorises the Issuer and any of its nominees, at the option of the Issuer, to act as the Investor's agent to do all things required

to be done, including but not limited to supplying the Investor's HIN, to effect the delivery of the Delivery Parcel to the Investor.

3.4 Delivery through the Agency Sale Arrangement

If the Investor has elected to use the Agency Sale Arrangement, the Issuer (either itself or through a nominee) will procure the delivery of the Delivery Parcel as follows:

- (a) the Issuer or its nominees are irrevocably authorised to accept physical delivery of the Delivery Parcel for and on behalf of the Investor on the Settlement Date;
- (b) the Investor irrevocably authorises the Issuer or its nominees to sell, and irrevocably directs and authorises the Issuer or any of its nominees to take all actions necessary or desirable to effect the sale by the Issuer or its nominees of, the Delivery Parcel;
- (c) the Issuer or its nominees on behalf of the Issuer will deliver to the Investor's Settlement Account (or pay by cheque to the Investor if no Settlement Account is nominated) the Sale Proceeds, within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter; and
- (d) the Investor acknowledges and agrees that:
 - (i) the Issuer or its nominees agree to sell the Delivery Parcel on behalf of the Investor for an amount per Delivery Asset equal to the Official Closing Level on the Trading Day immediately following the Maturity Date; and
 - (ii) to the maximum extent permitted by law, the Issuer and its nominees are not responsible for any loss, costs or expense incurred by the Investor as a result of using the Agency Sale Arrangement (whether from negligence or otherwise), except to the extent that such loss, cost or expense arises as a result of the Issuer's or the nominee's default, fraud or dishonesty.

The Investor agrees and acknowledges that the Issuer or its nominees will use its best endeavours to sell the relevant Delivery Parcel in accordance with clause 3.4(d)(i). If, for any reason whatsoever, the Issuer is unable to sell the relevant Delivery Parcel at the Official Closing Level on the Trading Day immediately following the Maturity Date, the Investor irrevocably authorises the Issuer to use its best endeavours to sell the relevant Delivery Parcel as soon as practicable at the best price the Issuer can obtain.

3.5 Satisfaction of obligations

Upon delivery of the Delivery Parcel to the Investor in accordance with this clause 3 or payment by the Issuer or its nominee (on behalf of the Issuer) to the Investor of the relevant amount in respect of the Delivery Parcel under clause 3.4(c), the Issuer's obligations to the Investor under these Terms are satisfied and discharged.

3.6 Delivery of a whole number of Delivery Assets only

The Issuer or its nominee will not transfer a fractional Delivery Asset or parts of a Delivery Asset. If any fraction of a share would otherwise be transferable by the Issuer on the Settlement Date, the Issuer will cause to be paid to the Investor (within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter) an amount equal to the value of the fraction of the share forgone based on the Official Closing Level on the Trading Day immediately following the Maturity Date, provided that such amount exceeds twenty Australian Dollars (AUD20.00). If the amount does not exceed AUD20.00, the Issuer is under no obligation to the Investor to make any payment for the fraction of the share. Upon payment of the amount under this clause, the Issuer is discharged of its obligation to deliver the fraction of the share forgone.

4. Early Maturity

4.1 Early Maturity by the Issuer

The Issuer may at any time (in its absolute discretion) nominate or declare any of the following events as an Early Maturity Event:

- (a) an event considered to be an Early Maturity Event as described in the PDS;
- (b) an Adjustment Event that occurs or is proposed to occur where, in the Issuer's reasonable opinion, it is not possible or desirable to deal with the occurrence of that event in accordance with clause 5;
- (c) where there is a suspension or material limitation of trading in financial products generally on the ASX or any other exchange on which the Delivery Assets are traded for a period of 24 hours or more;
- (d) where there is a suspension or material limitation of trading in the Delivery Assets traded on a Relevant Exchange (or any successor) for a period of 24 hours or more;
- (e) if the Issuer determines in good faith that the performance of its obligations in relation to or under these Terms has or will become, in circumstances beyond the reasonable control of the Issuer, impossible, unlawful, illegal or otherwise prohibited as a result of compliance with any applicable present or future law, rule, regulation, judgement, order or directive of any government, administrative, legislative or judicial authority or power;
- (f) a Hedging Event as described in clause 5.2; or
- (g) any actual or proposed event that may reasonably (in the Issuer's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (f) above occurring.

If any event occurs which constitutes both an Adjustment

Event as defined in clause 15.1 and an Early Maturity Event as defined in this clause, the Issuer may in its discretion treat that event as either an Adjustment Event or Early Maturity Event.

4.2 Early Maturity at the request of the Investor

The Investor may only request an Early Maturity on a weekly basis by giving written notice to the Issuer. An Early Maturity can only be requested in respect of the full amount of the Investor's MLI. It is in the Issuer's absolute discretion to accept or reject the request for Early Maturity. If the Issuer accepts, the Issuer will in its absolute discretion determine an Early Maturity Date as soon as practicable after the request is received and will complete accordingly.

4.3 Determination that there will be an Early Maturity

Where the Issuer has nominated an event as an Early Maturity Event, the Issuer may in its absolute discretion determine that there will be an Early Maturity and may specify a date as the Early Maturity Date.

4.4 Early Maturity Mechanism

- (a) If the Issuer determines that there will be an Early Maturity in accordance with clause 4.1 only or if the Investor has requested an Early Maturity, the Early Maturity will take place as follows:
- (i) The Issuer will, before the Early Maturity Date, notify the Investor that Early Maturity will occur on the Early Maturity Date in accordance with clause 3 of these Terms. The notice issued by the Issuer under this clause shall serve as the Maturity Notice. The Issuer will specify in the Maturity Notice whether Early Maturity will occur by the normal Maturity process in accordance with clause 4.4(a)(ii) or by Refund in accordance with clause 4.4(a)(iii).
 - (ii) If specified in the Maturity Notice and subject to clause 4.4(b), Early Maturity will take place in accordance with the procedures set out in clauses 3.2 to 3.6 of these Terms.
 - (iii) If specified in the Maturity Notice, Early Maturity will occur by the Issuer paying to the Investor the Refund to the Investor's Settlement Account (or by paying the Refund by cheque to the Investor if no Settlement Account is nominated) within 10 Business Days of the Settlement Date or as soon as practicable thereafter.
 - (iv) After the Delivery Parcel is delivered to the Investor under clause 3.3(a) or after the Issuer (or its nominee) pays the Investor the Refund in accordance with clause 4.4(a)(iii) or after the relevant amount in respect of the Delivery Parcel under clause 3.4(c) is paid to the

Investor's Settlement Account as a result of an Early Maturity Event occurring, all obligations of the Issuer to the Investor under these Terms are deemed to be satisfied in full and the Issuer is discharged from its obligations under these Terms.

- (b) If there is an Early Maturity by the Issuer under clause 4.1 only or if the Investor has requested an Early Maturity, for the purposes of determining the Delivery Parcel, the definition of "Delivery Parcel" in clause 15.1 does not apply and instead the following definition will be applied: "Delivery Parcel" means the number of Delivery Assets to be delivered by the Issuer to the Investor on the Settlement Date as determined by the following formula:

$$\text{Delivery Parcel} = \frac{\text{Early Maturity Value} \times \text{number of MLI units held by Investor}}{\text{Official Closing Level for the Delivery Asset on the Trading Day immediately following the Early Maturity Date}}$$

4.5 Substitution of Delivery Assets

The Issuer may, in its reasonable opinion, determine that it is not possible to transfer the Delivery Assets comprising the Delivery Parcel to the Investor. In this case, Maturity will take place in accordance with clause 3 (or, in the case of an Early Maturity, in accordance with clause 4.4(a)) except that the Issuer may substitute any other security quoted and trading on ASX (including any other security or any other fund or entity listed on ASX) for the Delivery Asset and deliver that substituted security in accordance with these Terms as if the definition of "Delivery Asset" was amended to refer to the substituted security.

4.6 No Capital Protection on Early Maturity

If there is an Early Maturity, whether it arises because of an Early Maturity Event or because the Investor has requested an Early Maturity, the Capital Protection will not apply and the Issuer does not guarantee to deliver to the Investor a Delivery Parcel either based on the Final Value per MLI or equal to the Issue Price. For the avoidance of doubt, where there is an Early Maturity (and the Issuer elects the normal Maturity processes to apply) the Delivery Parcel will only be determined in accordance with clause 4.4(b).

4.7 Adjustments to this clause

Where the Issuer determines that any of the provisions of this clause 4 are not appropriate in any particular circumstances, or that any event which is not dealt with in clause 4 should have been dealt with, it may make any alterations to the effect of this provision or to any other Term that it considers to be appropriate.

5. Adjustment Events and Hedging Events

5.1 Adjustment Events

If an Adjustment Event occurs or is proposed to occur on or before the Maturity Date, the Issuer may in its discretion elect to do any or all of the following:

- (a) substitute the Delivery Assets with any other security quoted and trading on ASX; and/or
- (b) adjust or amend any variable, formula, amount or calculation as set out or used in these Terms (including without limitation the Term Sheet); and/or
- (c) adjust, amend or substitute the definition of Delivery Asset and/or vary any of the terms referred to in the PDS under the heading "Changes to the Delivery Assets"; and/or
- (d) determine to suspend any of the necessary calculations referred to in these Terms as appropriate until reliable values can be obtained,

in a manner consistent with the PDS provided that in the reasonable opinion of the Issuer the adjustment in accordance with the above paragraphs is appropriate to put both the Issuer and the Investor in substantially the same economic position as the Investor and the Issuer would have been in had the Adjustment Event not occurred. If in the reasonable opinion of the Issuer it is not possible or desirable to deal with the occurrence of the Adjustment Event in accordance with this clause 5, the Issuer may nominate or declare the event as an Early Maturity Event and may deal with that event in accordance with clause 4. The Issuer will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs or as soon as reasonably practicable after the adjustment occurs.

5.2 Hedging Event

The Issuer has discretion, to be exercised in good faith and in a reasonably commercial manner, to make such adjustments to the Terms if a Hedging Event occurs or is proposed to occur, where:

- (a) on any day during the Term of Investment or on or prior to any other relevant date, the Issuer is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the MLI, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) ("**Hedging Disruption**"); or
- (b) on any day during the Term of the Investment or on or prior to any other relevant date, the Issuer would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any

transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the MLI, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) (an "**Increased Cost of Hedging**" and together with the Hedging Disruption, each a "**Hedging Event**"), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging,

then the Issuer shall, in its sole and absolute discretion, determine if such Hedging Event has a material effect on the MLI and, if so, the Issuer may make such adjustments (as described in clause 5.1 above) to any of the Terms of the MLI as it determines appropriate to account for any such Hedging Event and determine the date(s) on which any such adjustments will be effective. If in the reasonable opinion of the Issuer it is not possible or desirable to deal with the occurrence of the Hedging Event in accordance with this clause 5, the Issuer may nominate the event as an Early Maturity Event and may deal with that event in accordance with clause 4. The Issuer will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs or as soon as reasonably practicable after the adjustment occurs.

6. Accretions

These Terms do not confer on the Investor any right or interest in respect of Accretions to the Delivery Assets. Accretions to the Delivery Assets may lead to adjustments as provided for in clause 5 of these Terms.

7. The Issuer's obligations are unsecured

The Issuer's obligations under these Terms or in relation to the deferred purchase of the Delivery Assets are direct, unconditional and unsecured obligations of the Issuer and these obligations rank equally with the Issuer's existing unsecured debt.

8. Interest in the Delivery Assets

For each MLI an Investor holds, the Investor receives a Beneficial Interest on the Issue Date. The Investor holds the Beneficial Interest until the earlier of Maturity or transfer of each MLI in accordance with clause 14.9.

An Investor may only deal with the Beneficial Interest in accordance with these Terms.

The Issuer or its nominee will hold the Portion of the Delivery Assets for the Investor from the Issue Date until Maturity and will be entitled to retain any dividends or other distributions made in connection with those assets, exercise all voting rights and will not be required to pass any notice of meeting or other material in connection with the Delivery Assets to the Investor.

The Issuer or its nominee may administer its holding of Portions such that Portions of an Investor or Investors may be aggregated.

The Issuer or its nominees has all the powers that a natural person would have in relation to the Portions, subject to these Terms.

The Beneficial Interest for each MLI forms part of that MLI and may not be severed from the balance of the rights in connection with that MLI or dealt with separately in any way.

When an Investor deals with an MLI in any way, then without the need for any additional writing or action, the same dealing between the same parties shall occur in respect of the corresponding Beneficial Interest. When an Investor deals with a Beneficial Interest in any way, then without the need for any additional writing or action, the same dealing between the same parties shall occur in respect of the corresponding MLI. For example, when an Investor (the "old holder") transfers an MLI to another person (the "new holder"):

- (a) all the rights and obligations that attach to that MLI, including the Beneficial Interest, are transferred from the old holder to the new holder;
- (b) the old holder's interest in the MLI will be removed from the Register and the new holder will be added to the Register; and
- (c) the old holder ceases to have any rights in relation to the MLI or the Beneficial Interest.

If any Investor purports to deal with an MLI without an equivalent dealing in the corresponding Beneficial Interest, or if any Investor purports to deal with a Beneficial Interest without an equivalent dealing in the corresponding MLI, or if any Investor purports to contract out of this clause in any way, any such dealing will be void and the MLI and the Beneficial Interest will remain with the Investor recorded on the Register.

At Maturity, the Portion will form part of each Delivery Parcel, and so will either:

- be delivered to the Investor if physical delivery applies; or
- be sold and form part of the Sale Proceeds if the Agency Sale Arrangement applies.

The Investor agrees and acknowledges that the agreement to purchase the Delivery Assets as set out in these Terms and the payment of the Investment Amount does not transfer the legal or beneficial interest in the Delivery Assets to the Investor other than the Beneficial Interest in a Portion of the Delivery Assets. The parties agree and acknowledge that the legal or beneficial interest in the balance of the Delivery Assets will transfer to the Investor only on the Settlement Date. If the Issuer fails to deliver the balance of the Delivery Assets to the Investor in accordance with these Terms, the Investor agrees that it will not be entitled to an injunction, specific performance or any other equitable rights or remedies and will be entitled only to damages.

The Issuer or its nominee is indemnified in its capacity as holder of the Portions for all costs, expenses, outgoings, loss or damages paid, suffered or incurred in that capacity, from the

Portions so held, unless such cost, expense, outgoing, loss or damage arises by virtue of dishonesty or wilful breach of trust.

The liability of the Issuer or its nominee to Investors or any other person in relation to the holding of Portions, is limited to the extent to which the liability can be satisfied out of the Portions held for Investors, unless the liability arises by virtue of dishonesty or wilful breach of trust.

9. Taxes

- (a) The Issuer is not liable for any Taxes or other charges payable:
 - (i) by the Investor in relation to or in connection with these Terms; or
 - (ii) by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or the maturity of the purchase and sale of a Delivery Asset.
- (b) The Investor must pay all Taxes and other charges including goods and services tax, if any, payable:
 - (i) by the Investor in relation to or in connection with these Terms; or
 - (ii) by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or on the maturity of the purchase and sale of a Delivery Asset.

10. Investor's representations and warranties

By signing the Application Form and submitting it to the Issuer, the Investor represents and warrants to the Issuer (as a continuing representation and warranty) that:

- (a) the Investor has full legal capacity to make the Application and be bound by these Terms and has taken all actions that are necessary to authorise the Application and be bound by these Terms;
- (b) the Investor has reviewed these Terms and has made its own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the purchase of the Delivery Assets;
- (c) the Investor has not relied in any way on any statements made by the Issuer or its related entities or their servants, agents, employees or representatives in relation to these Terms or the deferred purchase of the Delivery Assets and the Investor acknowledges that the Issuer has not made any representations to the Investor regarding the suitability or appropriateness of the deferred purchase of Delivery Assets pursuant to these Terms;
- (d) the Investor understands that nothing in these Terms or in any marketing material associated with these Terms can be considered investment advice or a recommendation to buy the Delivery Assets;

- (e) the Investor has obtained all consents which may be required by law to enable the Investor to acquire the Delivery Assets and to become registered as the holder of the Delivery Assets and that the registration of the Investor as the holder of the Delivery Assets will not contravene any law, regulation or ruling or the constitution of the issuer of the Delivery Assets;
- (f) the MLI being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable to the MLI or the Investor and the Investor is not a resident or national of any jurisdiction where the Application for or the Maturity of the MLI is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by the Issuer or any of its related bodies corporate; and
- (g) the Investor acknowledges that Section 7 of the PDS ("Tax Considerations") is provided only for the benefit of the Issuer and is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. The Investor acknowledges that it has sought its own independent advice on the taxation implications relevant to its own circumstances before making an investment decision.

11. Set off Rights

- (a) All monetary obligations imposed on the Investor under these Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.
- (b) The Issuer may set off any amount payable to it by the Investor against any amount payable by the Issuer to the Investor. The Issuer may withhold any amount payable by it to the Investor in satisfaction of any amount payable to it by the Investor.

12. Notices

- (a) Any notice or statement to be given or demand to be made on the Investor under these Terms:
 - (i) will be effectively signed on behalf of the Issuer if it is executed by the Issuer, any of its officers, its solicitor or its attorney;
 - (ii) may be served by being delivered personally to, by being left at, by being e-mailed to, or by being posted in a prepaid envelope or wrapper to the Investor's address (or e-mail address) notified to the Issuer or the Investor's registered office, place of business, or residence last known to the Issuer, or by being sent to the Investor by facsimile transmission.
- (b) A demand or notice if:
 - (i) posted will be deemed served two Business

Days after posting;

- (ii) sent by facsimile or electronic transmission will be deemed served on conclusion of transmission.
- (c) Service by any of these methods will be valid and effectual even if the Investor does not receive the document or if the document is returned to the Issuer unclaimed.

13. Amendment of Terms

The Issuer may from time to time by a notice sent to the Investor make any modification, variation, alteration or deletion of, or addition to, these Terms ("Change") where:

- (a) the Change is one determined by the Issuer as being required or permitted under either of clauses 4 or 5 of these Terms;
- (b) the Change is necessary or desirable in the reasonable opinion of the Issuer to comply with any statutory or other requirement of law; or
- (c) the Change is desirable to correct an inconsistency or error in these Terms (but only if such Change does not, in the opinion of the Issuer, materially prejudice the interests of the Investor).

The Issuer will give the Investor notice of any Change to these Terms and the Investor will be bound by any such Change at the time the Investor is served with such notice.

14. General provisions

14.1 Currency

All amounts payable by either party under these Terms will be paid in the corresponding Denomination specified in the Term Sheet in respect of the AUD Series or USD Series. All calculations will be performed in currency specified as the "Denomination" in the Term Sheet and any necessary foreign exchange will be calculated by applying the AUD/USD spot rate as at the date of that calculation.

14.2 No merger

The Issuer's rights under these Terms are additional to and do not merge with or affect and are not affected by any mortgage, charge or other encumbrance held by the Issuer or any other obligation of the Investor to the Issuer, despite any rule of law or equity or any other statutory provision to the contrary.

14.3 Rounding

All calculations made by the Issuer for the purposes of these Terms will be made to not fewer than two decimal places. Other than as provided in these Terms, rounding of numbers will not occur until the final calculation of a relevant amount or number at which time the Investor's entitlements will be aggregated and that aggregate will be rounded so that all

money amounts are rounded down to the nearest whole cent and all numbers of Delivery Assets are rounded down to the nearest whole number.

14.4 Certificates

Any document or thing required to be certified by the Investor or the Issuer must be certified by the Investor (if an individual) or a director, secretary or authorised officer of the Investor (if a company) or the Issuer, as the case requires, or in any other manner that the Issuer may approve.

14.5 Execution by attorneys

Each attorney executing the Application Form which binds the Investor to these Terms states that he, she or it has no notice of revocation or suspension of the power of attorney under which the attorney executes the Application Form.

14.6 Power of attorney

For valuable consideration the Investor irrevocably appoints the Issuer, its nominees and any of their directors and secretaries or any employee whose title includes the words "director", "head" or "manager" severally as attorney of the Investor to do (either in the name of the Investor or the name of the attorney) all acts and things that the Investor is obliged to do under the Terms or which, in the opinion of the Issuer, are necessary or desirable in connection with the Delivery Assets or the protection of the Issuer's interests or the exercise of the rights, powers and remedies of the Issuer, including without limitation the authority to sell the Delivery Assets on behalf of the Investor in accordance with clause 3.4(b).

14.7 Invalid or unenforceable provisions

If a provision of these Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

14.8 Waiver and exercise of rights

A single or partial exercise of a right by the Issuer does not preclude another exercise or attempted exercise of that right or the exercise of another right. Failure by the Issuer to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

14.9 Assignment and transfer of interests

(a) The Issuer may transfer its rights and obligations under these Terms at any time by giving notice to the Investor (and in the case of the Issuer transferring obligations, the power of attorney in clause 14.6 will extend to any novation deed or agreement that the Issuer considers desirable to give effect to the transfer of obligations).

- (b) The rights and obligations under these Terms may, with the prior consent of the Issuer:
- (i) be assigned by the Investor; or
 - (ii) be made the subject of any encumbrance, charge, trust or fiduciary obligation.

Any action that purports to do so without the prior consent of the Issuer is invalid, void and without effect as between the Investor, the Issuer and any third party.

When an Investor deals with an MLI in a manner that does not involve the transfer of legal ownership of the MLI, the Issuer has no duty to record the dealing on the Register. Each Beneficial Interest corresponding to a particular MLI will pass to a new Investor upon registration of a transfer of the MLI in the Register. The Issuer and the registrar are entitled to rely on the Register as the definitive record of ownership of MLIs.

14.10 Recording conversations

The Investor acknowledges that conversations between the Investor and the Issuer (or any officer of the Issuer) may be tape-recorded. The Investor consents to the tape-recording and to its use (or any transcript of the recording) in any proceedings that may be commenced in connection with these Terms.

14.11 Calculations and references to dates and times

Calculations or determinations made on or by reference to a particular day, are to be made on or by reference to that day in the place and time zone of the Relevant Exchange to which that calculation or determination relates.

14.12 Payments by the Issuer

All amounts payable by the Issuer under these Terms will be paid to the Investor's Settlement Account. If the Investor has not nominated a Settlement Account, payment will be made by the Issuer drawing a cheque made payable to the Investor which will be sent to the address provided by the Investor on its Application Form, and on doing so the Issuer is discharged of its obligations under these Terms.

14.13 Governing law and jurisdiction

These Terms are governed by the laws of New South Wales. The Investor irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

14.14 PDS prevails

Except for clauses 4 and 5 of these Terms, if there is an inconsistency between these Terms and statements made in the PDS, the statements made in the PDS will prevail. If there is an inconsistency between either or both of clauses 4 and 5 of these Terms and statements made in the PDS, clauses 4 and/or 5 of these Terms will prevail.

14.15 Time is of the essence

Time is of the essence in respect of the obligations of the Investor under these Terms.

15. Definitions and Interpretation

15.1 Definitions

In these Terms, unless the context requires otherwise:

“Accretions” means all rights, accretions and entitlements attaching to the Delivery Assets after the Issue Date including without limitation, all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the Delivery Asset;

“Adjustment Event” means in respect of the Delivery Asset (the “Relevant Asset” for the purpose of this definition) any of the following events:

- (a) where the Relevant Asset is a security or an interest in a managed investment scheme:
 - (i) the actual or proposed adoption of any procedure, event or action which is or which is likely to result in any cash return of capital, pro-rata cash distribution, capital reduction, liquidator’s distributions, share buy-back, bonus issue, rights issue, arrangement, scheme of arrangement, compromise, merger, demerger, reconstruction, compulsory acquisition, redemption, cancellation, replacement, modification, subdivision or consolidation, takeover bid, special dividend, non cash dividend, share split or any other similar or like event (but excludes the payment by the issuer of the Delivery Assets of cash dividends or distributions);
 - (ii) any event which is or which results in the actual or proposed administration, liquidation, winding up or termination of the issuer of the Relevant Asset or other similar or like event (however described);
 - (iii) any event which is or which results in the actual or proposed de-listing of the Relevant Asset or the actual or proposed removal from quotation of the Relevant Asset or the actual or proposed Suspension from trading of the Relevant Asset;
 - (b) any actual or proposed event that may reasonably (in the Issuer’s opinion) be expected to lead to any of the events referred to in paragraph (a) above occurring;
 - (c) where any force majeure event occurs, or any other event occurs which the Issuer determines in good faith in the performance of its obligations having or becoming, in circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited; or
 - (d) any circumstances arise which are described in the PDS as potentially giving rise to an Adjustment Event; or
 - (e) any other event which the Issuer reasonably declares to be an Adjustment Event;
- “Agency Sale Arrangement”** means the agreement by the Issuer to sell the Delivery Parcel for and on behalf of, at the direction of and as agent for the Investor on the Settlement Date in accordance with clause 3.4 of these Terms;
- “Applicant”** means a person who completes an Application Form and lodges it with the Issuer;
- “Application”** means an offer by the Applicant to the Issuer to acquire the Delivery Parcel on a deferred basis on the terms and conditions set out in these Terms;
- “Application Form”** means the application form attached to or accompanying this PDS;
- “ASTC”** means the ASX Settlement and Transfer Corporation Pty Limited (ABN 49 008 504 532);
- “ASTC Settlement Rules”** means the settlement rules of the ASTC as amended or varied from time to time;
- “ASX”** means ASX Limited (ABN 98 008 624 691);
- “ASX Business Rules”** means the business rules of ASX as amended or substituted from time to time;
- “Beneficial Interest”** means the equitable interest in the Portion of Delivery Assets which is part of each MLI;
- “Break Costs”** means all costs, expenses and losses incurred by the Issuer and notified by the Issuer as payable by the Investor as a result of:
- (a) the acceleration of the Maturity Date or other early termination of any MLI;
 - (b) the termination or reversal of any arrangements or hedge position entered into by the Issuer in connection with any MLI which is terminated early; or
 - (c) any loss of profits that the Issuer may suffer by reason of the early termination of a MLI;
- “Business Day”** means a day on which banks are open for business, but does not include a Saturday, Sunday or public holiday:
- (a) in relation to the AUD Series, in Sydney; or
 - (b) in relation to the USD Series, in Sydney and New York;
- “Capital Protection”** has the meaning given to that in the Term Sheet;
- “Change”** has the meaning attributed to it in clause 13 of the Terms;
- “Citi”** means the Issuer;
- “Closing Time”** means 5:00 pm Sydney time on the Trading Day immediately prior to the Maturity Date;

"Corporations Act" means the Corporations Act 2001 (Cth) as amended from time to time;

"Costs and Taxes" means any incidental costs or expenses incurred by the Issuer in relation to the transfer of any Delivery Assets to or for the benefit of the Investor following Maturity (whether by way of physical delivery of the Delivery Assets to the Investor or delivery to a nominee of the Issuer under the Agency Sale Arrangement) plus any Taxes and any costs or expenses including brokerage incurred by the Issuer under the Agency Sale Agreement, if applicable;

"Delivery Asset" means the security specified in the Term Sheet as the "Delivery Asset" (including the Portion) or any other Delivery Asset specified in the PDS or determined by the Issuer in accordance with these Terms;

"Delivery Parcel" means, subject to clause 4.4(b) of the Terms, the number of Delivery Assets to be delivered by the Issuer to the Investor on the Settlement Date as determined by the following formula:

$$\frac{(\text{Final Value per MLI} \times \text{number of MLI units held by Investor}) - \text{any applicable Costs and Taxes}}{\text{Official Closing Level for the Delivery Asset on the Trading Day immediately following the Maturity Date}}$$

Official Closing Level for the Delivery Asset on the Trading Day immediately following the Maturity Date

"Denomination" means the currency specified in the Term Sheet as the "Denomination", in respect of either the AUD Series or the USD Series;

"Early Maturity" means the early Maturity of the deferred purchase of the Delivery Assets as determined and completed in accordance with clause 4 of these Terms;

"Early Maturity Date" means the date notified to the Investor as such in the Early Maturity Notice;

"Early Maturity Event" has the meaning given in clause 4 of these Terms;

"Early Maturity Notice" means the notice provided by the Issuer to the Investor notifying the Investor of the occurrence of an Early Maturity Event (if relevant) and that an Early Maturity will take place on the specified Early Maturity Date;

"Early Maturity Value" means the fair economic value of the MLI at or around 5:00 pm Sydney time on the Early Maturity Date as determined by the Issuer in its absolute discretion, unless it is not possible to determine the fair economic value of the MLI at that time, in which case the Issuer may nominate another time to determine the "Early Maturity Value". Without limiting the foregoing, in determining the "Early Maturity Value" the Issuer may deduct any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain;

"Final Value per MLI" is calculated for each MLI unit in the manner described in the Term Sheet;

"Guarantor" means Citigroup Inc.;

"Hedging Event" has the meaning attributed to it in clause 5.2 of the Terms;

"Hedging Disruption" has the meaning attributed to it in clause 5.2 of the Terms;

"HIN" means Holder Identification Number and has the meaning attributed to it in the ASTC Settlement Rules;

"Increased Cost of Hedging" has the meaning attributed to it in clause 5.2 of the Terms;

"Interest Rate" has the meaning given to that in the Term Sheet;

"Interest Payment Dates" has the meaning given to that in the Term Sheet;

"Interest Rate Payments" has the meaning given to that in the Term Sheet;

"Interest Rate Period" has the meaning given to that in the Term Sheet;

"Investment" has the meaning given to that in the Term Sheet;

"Investment Amount" means the actual amount paid by the Investor to the Issuer by the Offer Close Time;

"Investor" means the person whose Application is accepted by the Issuer in accordance with clause 1 of these Terms;

"Issue Date" means the date specified in the Term Sheet as the "Issue Date";

"Issue Price" means the amount per MLI unit as specified in the Term Sheet;

"Issuer" means Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832);

"Maturity" means the completion by the Investor of the deferred purchase of the Delivery Parcel in accordance with clause 3 of these Terms, and "complete" has a corresponding meaning;

"Maturity Date" means the date specified in the Term Sheet as the "Maturity Date", unless there is an Early Maturity under clause 4, in which case references in these Terms to the Maturity Date are to be read as the date specified by the Issuer in the Early Maturity Notice;

"Maturity Notice" means a notice issued by the Issuer in accordance with clause 3.1 or 4.4(a) as the case may be;

"MLI" means a deferred purchase agreement between the Issuer and the Investor under which the Investor agrees to purchase the Delivery Parcel from the Issuer on a deferred basis on the terms and conditions set out in these Terms and the PDS including the Term Sheet. The total number of MLI units held by the Investor will be notified by the Issuer to the Investor in the notice provided by the Issuer in accordance with clause 1.3(d) of these Terms;

"Offer Close Time" means the time and date specified in the Term Sheet as the "Offer Closes";

“Official Closing Level” means:

- (a) for the purpose of determining the Official Closing Level of the Delivery Assets at Maturity, either the price paid by the Issuer to acquire the Delivery Assets or the amount determined in accordance with paragraph (b);
- (b) in respect of a share on a specified day, the last traded price of the share as reported and disseminated by ASX at or around 4:05 pm Sydney time (or in the case of a day that is not a Trading Day, the Trading Day immediately following the specified day), unless it is not possible to determine the price of the share at that time, in which case the Issuer may either:
 - (i) nominate another time to determine the Official Closing Level; or
 - (ii) determine the Official Closing Level to be the price determined by the Issuer as its best estimate of the share value at or around 4:05pm Sydney time on the specified day;

“Portion” of the Delivery Assets means 0.001 of one Delivery Asset;

“Postal Address” means the postal address nominated by the Investor as the Postal Address in the Application Form completed by the Investor;

“Product Disclosure Statement” or **“PDS”** means the product disclosure statement to which these Terms are attached and issued by the Issuer in relation to the invitation to invest in the MLI;

“Quarter” means a period of 3 calendar months;

“Refund” means the amount determined by the Issuer in its absolute discretion and by whatever means the Issuer deems appropriate. Without limiting the foregoing, in determining the Refund, the Issuer may adjust the Refund for any costs, losses or expenses that it incurs in relation to the Early Maturity, including without limitation, Costs and Taxes, Break Costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under these Terms, and any cost of funding or any loss of bargain;

“Register” means the register of MLIs to be maintained by a registrar chosen by the Issuer;

“Relevant Exchange” means in the case of any exchange traded financial product, the primary exchange upon which that financial product is traded and as determined in the absolute discretion of the Issuer;

“Sale Proceeds” means the proceeds of the sale of the Delivery Parcel obtained by the Issuer (or its nominee) on behalf of the Investor under the Agency Sale Arrangement, being an amount equal to the number of Delivery Assets (including the Portion) sold multiplied by the Official Closing Level on the Trading Day immediately following the Maturity Date less any Costs and Taxes applicable to the sale of the Delivery Parcel;

“Settlement Account” means the transactional banking account held with an Australian bank which is nominated by the Investor as the Settlement Account in the Application Form completed by the Investor;

“Settlement Date” means the third Trading Day after the Maturity Date or such later date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under these Terms;

“Suspension” means a cessation of the trading or quotation of the securities, as formally announced by the Relevant Exchange and does not include a trading halt;

“Tax” or **“Taxes”** means any income tax, capital gains tax, goods and services tax, withholding tax, stamp, financial institutions, registration and other duties, bank accounts debits tax and other related taxes, levies, imposts, deductions, interest, penalties and charges payable by any person on, as a consequence of, or in connection with, the purchase, sale or transfer of, or the completion of the purchase and sale of a Delivery Asset;

“Term of Investment” means the term, if any, specified in the Term Sheet;

“Terms” means these terms and conditions (including the Term Sheet) on which the Investor agrees to acquire the Delivery Parcel from the Issuer as set out in this Section 9 of the PDS;

“Term Sheet” means the term sheet set out in this PDS and headed “Term Sheet”;

“Total Value” means Final Value per MLI x number of MLI units held by the Investor;

“Trading Day” has the meaning given in the ASX Business Rules; and

“you” or **“your”** means Applicant or Investor as the context requires.

15.2 Interpretation

- (a) In these Terms, unless the context requires another meaning, a reference:
 - (i) to the singular includes the plural and vice versa;
 - (ii) to a document (including these Terms) is a reference to that document (including any Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;
 - (iii) to a person (including a party) includes an individual, company, other body corporate, association, partnership, firm, joint venture, trust or Government Agency, and it also includes the person's successors, permitted assigns, substitutes, executors and administrators;

- (iv) to a law is a reference to that law as amended, consolidated, supplemented or replaced and it includes a reference to any regulation, rule, statutory instrument, by-law or other subordinate legislation made under that law, or any legislation, treaty, judgment, rule of common law or equity or rule of any applicable stock exchange;
- (b) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) Headings are for convenience only and do not affect interpretation.
- (d) If a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day.
- (e) If a period occurs from, after or before a day or the day of an act or event, it excludes that day.
- (f) These Terms may not be construed adversely to a party only because that party was responsible for preparing them.
- (g) Any term not defined in these Terms and which is defined in the PDS has the same meaning as in the PDS unless the context otherwise requires.
- (h) All references to time are to time in Sydney, Australia (unless otherwise stated).

Section 10 - How to invest in the MLI

The Minimum Investment Amount for the AUD Series of the MLI is AUD10,000 with additional investments in multiples of AUD1,000 thereafter and for the USD Series of the MLI is USD10,000 with additional investments in multiples of USD1,000 thereafter. If you wish to make an investment in the MLI you will need to complete an Application Form in accordance with the instructions on the following page and attach a cheque (in Australian Dollars or US Dollars corresponding with the AUD Series or USD Series respectively) made payable to the **"MLI TRUST A/C"** for the AUD Series or **"CGMA MLI USD TRUST A/C"** for the USD Series and crossed **"Not Negotiable"**. Applications, including cleared funds, must be received by the Issuer no later than the Offer Close Time of 5:00 pm Sydney time on 25 May 2009.

Acceptance of Applications

The Issuer may, in its absolute discretion refuse or reject any Application (wholly or in part) without giving a reason. If your Application is rejected, the Issuer will return your Investment Amount (without interest) to you. The Issuer also reserves the right to extend the offer or at any time to close the offer early. If the Issuer decides that it will accept an Application, acceptance of your offer will take place on the Issue Date. Within 10 Business Days of accepting your offer, you will be sent an acknowledgement of acceptance which will set out the number of MLI units acquired and other information confirming your investment in the MLI.

Investing through a master trust or wrap account

Applicants investing through master trusts and wrap accounts should not complete the Application Form attached to this PDS. Instead, Applicants should complete the forms the master trust or wrap account operator requires. Any enquiries should be directed to the operator of the master trust or wrap account. If investing through a master trust or wrap account then it is important to remember that it is generally the operator of that service which becomes the Investor in the MLI (not you directly). It follows that the operator has the rights of an Investor and can exercise them in accordance with the master trust or wrap account agreement. The Issuer is not responsible for the operation of any master trust or wrap account service through which you may invest. You may however still rely on the information in this PDS. Enquiries and complaints should be directed to the operator of that service, not to us. Reports on your investment will come from the operator of that service, not from us.

In addition to reading this document, you should read the document that explains the master trust or wrap account.

Who may apply for the MLI?

Application for the MLI is open to:

- Australian residents
- Non-residents of Australia

- Companies registered in Australia
- Trust entities

other than US persons who may not apply for the MLI. A US person is defined as:

- Natural person resident in USA
- Partnership or corporate organisation under the law of the US
- Estate of which the administrator is a US Person
- Trust of which the trustee is a US Person
- Agency or branch of a foreign entity located in the US or operated under the laws of the US
- US citizen or Green card holders residing outside the US.

This PDS is not an offer or invitation in relation to the MLI in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. The distribution of this PDS outside Australia may be restricted by the laws of places where it is distributed and therefore persons into whose possession this document comes should seek advice on and observe those restrictions. Failure to comply with relevant restrictions may violate those laws.

Applicants are bound by the Terms when they make an Application

The MLI is issued by Citi on the Terms set out in Section 9 of this PDS. Applicants should ensure that you read and understand the Terms. Applicants should note that by signing and lodging an Application Form an Applicant will become bound by the Terms and the Applicant's declaration set out in the Application Form. Applicants are taken to agree that the interest earned on all application monies (whether accepted or refunded) will belong to the Issuer.

Client verification information

If you apply directly to Citi, you must supply the client verification information listed below with your Application Form. Citi will be unable to process your Application if you apply directly to Citi and do not supply the client verification information as requested. Please note that the following client verification information is not required if you apply through a Citi approved distributor (for example Citibank).

Citi requires the following information for each investor category to satisfy its client verification requirements. Please refer to the appropriate investor category when submitting your Application Form.

(a) Private Individual Applicants

The following information is required with your Application Form if you are applying for a MLI as a private individual:

- Certified copy of your current passport or driver's licence;

- Original or certified copy of a utility bill or bank statement dated within the last 3 months, evidencing the residential address provided in the Application Form;
- A statement from you stating:
 - your nationality, country of birth and occupation; and
 - your source of wealth (brief sentence advising how you generated your wealth, e.g. savings from employment, line of business if self-employed).

(b) Company Applications or Corporate Trustee Applicants

The following information is required with your Application Form if you are applying for a MLI as a company or a corporate trustee:

- for at least two directors (or one director if sole director company), all of the information requested for private individuals above; and
- in the event of a company acting in the capacity of trustee (e.g. for a superannuation fund), an original or certified copy of the trust deed.

(c) Individual Trustee or Partnership Applicants

The following information is required with your Application Form if you are applying for a MLI as an individual trustee or partnership:

- Certified copy of trust deed, partnership agreement, or deed of formation;
- The names of all trustees, partners, or equivalent officers; and
- For at least two trustees, partners or equivalent officers, all of the information requested for private individuals above.

In all cases, documents must either be an original, or a certified copy of an original. Copies can be certified by any of the categories of acceptable referees provided below. Faxed copies will not be accepted.

In all cases, Citi reserves the right to request additional information for the purposes of determining the identity, beneficial ownership, or source of funds of an Applicant.

Categories of acceptable referees

1. A member of:
 - (a) the Institute of Chartered Accountants in Australia; or
 - (b) the Australian Society of Certified Practising Accountants; or
 - (c) the National Institute of Accountants.
2. A member of a municipal, city, town, district or shire council of a State or Territory.
3. An employee of a financial institution who is authorised by the financial institution to open accounts with the institution.
4. An agent of a financial institution who is authorised by the financial institution to open accounts with the institution.
5. A full-time employee of:
 - (a) a financial institution (other than an employee mentioned in item 3); or
 - (b) a corporation that is a registered corporation within the meaning of the Financial Corporations Act 1974;

who has been employed continuously for at least 5 years by one or more financial bodies.
6. An employee of a bank carrying on business outside Australia:
 - (a) that does not have an authority under section 9 of the Banking Act 1959; and
 - (b) that is engaged in a transaction with a cash dealer,

who is authorised by the bank to open accounts with the bank.
7. A full-time employee of a company carrying on insurance business who has been employed continuously for at least 5 years by one or more companies of that type.
8. A legal practitioner (however described) of a Federal, State or Territory court.
9. A registrar, clerk, sheriff or bailiff of a Federal, State or Territory court.
10. An officer within the meaning of the Defence Act 1903.
11. An individual registered or licensed as:
 - (a) a dentist; or
 - (b) a medical practitioner; or
 - (c) a pharmacist; or
 - (d) a veterinary surgeon,

under a law of a State or Territory providing for that registration or licensing.
12. An individual who holds the position of nursing sister and is registered as a nurse under a law of a State or Territory providing for that registration.
13. A diplomatic or consular officer of an Australian Embassy, High Commission or Consulate, in Australia or overseas.

14. A holder of an office established by a law of the Commonwealth, a State or Territory in respect of which annual salary is payable, other than an office mentioned in item 15.
15. A judge or master of a Federal, State or Territory court.
16. A stipendiary magistrate of the Commonwealth or of a State or Territory.
17. A justice of the peace of a State or Territory.
18. A member of the Parliament of a State or Territory.
19. A member of the Legislative Assembly of the Australian Capital Territory, the Northern Territory or Norfolk Island.
20. A minister of a religion within the meaning of the Marriage Act 1961 who is registered under Division 1 of Part IV of that Act.
21. A notary public.
22. A member of the Australian Federal Police, or of the police force of a State or Territory, who, in the normal course of his or her duties, is in charge of a police station.
23. A member of the Australian Federal Police, or of the police force of a State or Territory, of or above the rank of sergeant.
24. A manager of a post office.
25. An individual employed as an officer or employee by one or more of the following:
 - (a) The Commonwealth, a State or Territory; or
 - (b) an authority of the Commonwealth, a State or Territory; or
 - (c) a local government body of a State or Territory,
 who has been so employed continuously for a period of at least 5 years, whether or not the individual was employed for part of that period as an officer and for part as an employee.
26. An individual employed as a full-time teacher or as a principal at one or more of the following educational institutions:
 - (a) a primary or secondary school forming part of the education system in a State or Territory; or
 - (b) an institution listed in section 4 or paragraphs 34(4)(b)-(j) (inclusive) of the Higher Education Funding Act 1988,
 who had been so employed continuously for a period of at least 5 years.
27. An individual who, in relation to an Aboriginal community:
 - (a) is recognised by the members of the community to be a community elder; or
 - (b) if there is an elected Aboriginal council that represents the community - is an elected member of the council.
28. An individual who is an agent of a totalisator agency board if:
 - (a) the individual conducts an agency of the totalisator agency board at particular premises; and
 - (b) that agency is not ancillary to any other business conducted at those premises.
29. A commissioner for oaths of a State or Territory.
30. An individual who is registered as a tax agent under part VIIA of the Income Tax Assessment Act 1936.
31. A member of the Chartered Institute of Company Secretaries in Australia Limited.
32. A member or fellow of the Association of Taxation and Management Accountants.
33. A member of the Institution of Engineers, Australia, other than a member with the grade of student.
34. A fellow member of the National Tax and Accountant's Association Limited.
35. The holder, or an authorised representative of, a licence under section 913B of the Corporations Act 2001 who has known another person for at least 12 months is an acceptable referee in respect of the other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the Financial Transaction Reports Act 1988.
36. The holder of, or an authorised representative of, a licence under section 913B of the Corporations Act 2001, who has complied with the requirements of section 912A of that Act and Australian Securities and Investments Commission Policy Statement 122 in relation to another person is an acceptable referee in respect of that other person for the purposes of the definition of 'acceptable referee' in subsection 3(1) of the Financial Transaction Reports Act 1988. (In this situation there is no requirement for an existing 12 month relationship).

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold the MLI. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

Type of Investor	Correct Form	Incorrect Form
Individual: Use given name(s) in full, not initials	Mr John Alfred Smith	J.A. Smith
Joint Holdings: Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Susan Jane Smith	John Alfred & Susan Jane Smith
Company: Use company title, not abbreviations	ABC Pty Limited	ABC P/L or ABC Co
Trust: Use the trustee(s) personal name(s). Do not use the name of the trust	Applicant 1: Mrs Susan Jane Smith Account Name: <Susan Smith Family A/C>	Susan Smith Family Trust
Partnerships: Use partners personal name(s). Do not use the name of the partnership	Mr John Smith & Mr Michael Smith Account Name: <John Smith & Son A/C>	John Smith & Sons
Superannuation Fund: Use the name of the trustee(s) of the fund. Do not use the name of the fund	Applicant 1: Mr John Alfred Smith Account Name: <Superannuation Fund A/C>	John Smith Superannuation Fund

How to complete the Application Form

Please complete the Application Form in BLOCK LETTERS in accordance with the instructions below, read the Applicant's Declaration and sign in the appropriate space(s) provided. You should return your signed and completed Application Form either to us, your stockbroker or financial planner. Applications close at the Offer Close Time.

- A Application Details:** Enter the full name you wish to appear on the statement of holding. This must be either your own name or the name of a company. Up to 2 joint Applicants may register. You should refer to the table on the previous page for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Where applicable, please enter the date of birth of each Applicant. Please enter the residential address or registered office for each Applicant.
- B Tax File Number or ABN:** Please enter your tax file number ("TFN") or exemption category. Business enterprises may alternatively quote their Australian Business Number ("ABN"). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory. However, if these are not provided, we will be required to deduct tax at the highest marginal rate of tax (including Medicare levy) from distributions.
- C Postal Address:** Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applications, only one address can be entered. If you change your address before the Settlement Date, please contact Equity Structured Products Support on 1300 368 301 and notify us of the new details.
- D Contact Details:** Enter your contact details. These are not compulsory but will assist us if we need to contact you.
- E Investment Details & Payment Details:** Please insert the number of MLI units you wish to apply for and write the Investment Amount in the space provided. The Investment Amount is the dollar amount that you wish to invest (expressed in the corresponding Denomination for either the AUD Series or USD Series) and must be for an amount equal to or greater than the Minimum Investment Amount specified in the Term Sheet. If the correct amount is not available to us as cleared funds by the Offer Close Time the Application will be rejected. You must attach a cheque to your Application Form made payable to **"MLI Trust A/C"** for the AUD Series or **"CGMA MLI USD Trust A/C"** for the USD Series and crossed "Not Negotiable" for an amount equal to the Investment Amount. Please tick the box to acknowledge you have attached a cheque for the correct series.
- F Settlement Account Details:** Please provide the account details of the bank account that you would like us to make all payments to in relation to the MLI (such as any payment due to you at Maturity). If you do not complete this section, we will pay any amounts that are due to you by cheque made payable to you and sent to the address nominated by you on the Application Form under Postal Address.
- G Tracking of Application:** Please indicate how you found out about the MLI by ticking the appropriate box.
- H Applicant's Declaration & Signature:** Please ensure you read and understand the Applicant's declaration before signing the Application Form. The Application Form must be signed by the Applicant(s) personally, or by the Applicant's attorney(s). Joint Applications must be signed by all Applicants. An Application by a company must be signed by two directors or a director and company secretary. For a proprietary company that has a sole director who is also the sole company secretary, the Application Form should be signed by that director. To sign under a Power of Attorney, a certified copy of the Power of Attorney should accompany the Application Form.

Lodgement of Application

Application Forms must be received at the Sydney office of Citi by no later than 5:00 pm Sydney time on 25 May 2009. Return the Application Form with cheque(s) attached to:

Equity Structured Products Support
MLI Income Earner (Series 2009 - 03) Offer
Citigroup Global Markets Australia Pty Limited
GPO Box 557
Sydney NSW 2001

Applicant 3 Details (Individual, Joint, Trust, Company and Superannuation Applicants)

Name	Date of Birth
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Address

Account name (if applicable)

B TAX FILE NUMBER, EXEMPTION CATEGORY OR ABN (IF APPLICABLE)

Applicant 1

Applicant 2

Applicant 3

C POSTAL ADDRESS FOR CORRESPONDENCE

PO Box or Street No. & Name	<input type="text"/>
Suburb	State Postcode

D CONTACT DETAILS

Contact Name

Daytime Telephone	Facsimile	Mobile Phone
() <input type="text"/>	() <input type="text"/>	<input type="text"/>

Email address

E INVESTMENT DETAILS AND PAYMENT DETAILS (to be completed by all Applicants)

(A) Number of MLI units (AUD Series)	(B) Issue Price	(C) = (A x B) Investment Amount
<input type="text"/> , <input type="text"/> , <input type="text"/>	<input type="text"/> AUD1.00	AUD <input type="text"/> , <input type="text"/> , <input type="text"/>

(A) Number of MLI units (USD Series)	(B) Issue Price	(C) = (A x B) Investment Amount
<input type="text"/> , <input type="text"/> , <input type="text"/>	<input type="text"/> USD1.00	USD <input type="text"/> , <input type="text"/> , <input type="text"/>

- I/We have attached a cheque made payable to "MLI Trust A/C" for the AUD Series for an amount equal to the Investment Amount.
- I/We have attached a cheque made payable to "CGMA MLI USD Trust A/C" for the USD Series for an amount equal to the Investment Amount.

F SETTLEMENT ACCOUNT DETAILS (the Issuer will pay all amounts owed to you into this account)

Please make all payments due to me/us under the MLI to the following account

Name of Bank or Financial Institution	Account Title or Name
<input type="text"/>	<input type="text"/>

Branch Address

BSB Number	Account Number
<input type="text"/>	<input type="text"/>

G TRACKING OF APPLICATION - How did you find out about the MLI?

Financial Adviser Advertisement Accountant Stockbroker Internet Other (specify)

THIS IS PAGE 2 OF 4 PAGES OF THE APPLICATION FORM. PLEASE READ AND COMPLETE THE APPLICANT'S DECLARATION AND SIGN WHERE INDICATED ON PAGE 4.

H APPLICANT'S DECLARATION

Power of Attorney:

For valuable consideration I/we irrevocably appoint the Issuer, its nominees and any of their directors and secretaries or any employee whose title includes the words "director", "head" or "manager" severally as my/our attorney to do (either in my/our name or the name of the attorney) all acts and things that I am/we are obliged to do under the Terms or which, in the opinion of the Issuer, are necessary or desirable in connection with the Delivery Assets (as defined in the Terms) or the protection of the Issuer's interests or the exercise of the rights, powers and remedies of the Issuer, including without limitation the authority to sell the Delivery Assets under the Agency Sale Arrangement on my/our behalf in accordance with the Terms.

Representations, warranties and indemnity:

I/We represent and warrant that:

- I am/we are not bankrupt or insolvent (as the case may be) and am/are able to pay my/our debts as and when they become due and that no step has been taken to make me/us bankrupt or commence winding up proceedings, appoint a controller or administrator, seize or take possession of any of my/our assets or make an arrangement, compromise or composition with any of my/our creditors;
- I am/we are at least 18 years of age, have full legal capacity to make the Application and be bound by the Terms and have taken all actions that are necessary to authorise the Application and be bound by the Terms. If I am/we are acting as trustee in relation to the holding of the MLI, I/we represent and warrant that I/we have all the power, authority and discretion vested as trustee to apply for and hold the MLI;
- I/we have received and read the Terms and PDS (even if the PDS was received electronically) and I/we have made my/our own independent investigations and appraisals of the taxation, legal, commercial and credit aspects associated with the MLI and the deferred purchase of the Delivery Assets;
- I/we have not relied in any way whatsoever on any statements made by the Issuer or any of its related entities or their servants, agents, employees or representatives in relation to the Terms, the MLI or the deferred purchase of the Delivery Assets and I/we acknowledge that the Issuer has not made any representations to me/us regarding the suitability or appropriateness of the MLI or the deferred purchase of Delivery Assets;
- I/we understand that nothing in the PDS or any marketing material associated with the PDS can be considered investment advice or a recommendation to invest in the MLI or Delivery Assets;
- I/we have obtained all consents which may be required by law to enable me/us to acquire the MLI and the Delivery Assets and to become registered as the holder of the Delivery Assets; and
- the MLI being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable to the MLI or me/us and I/we am/are not (a) resident(s) or national(s) of any jurisdiction where the Application for or the Maturity of the MLI is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by the Issuer or any of its related bodies corporate.

Privacy Declaration

I/We have read and understood the Privacy Statement in Section 8 of the PDS and agree that information about me/us written on this form will not be collected, used or disclosed for any purpose other than for the purposes stated in the PDS or as otherwise permitted under the Privacy Act 1998 (Cth). Where I/we have provided information about any other individual, I/we will make that individual aware of the provisions of the privacy statement.

The Issuer would like to keep in touch with you about future investment opportunities that may be of interest. Please tick this box if you do NOT wish to be contacted for this purpose.

No thanks, I/we prefer NOT to be contacted by the Issuer about investment opportunities in the future.

General Declaration

I/We whose full name(s) and address(es) appear above, hereby apply for the MLI as set out on this Application Form, to be issued in accordance with the Terms issued by the Issuer. I/We have read and understood the Terms and agree to accept the MLI on and be bound by the Terms.

I/we acknowledge that the MLI:

- (i) is not a deposit or other liability of any insured depository institution (including Citibank, N.A. and Citigroup Pty Ltd);
- (ii) is subject to investment risks, including the possible loss of the principal amount invested in the event of Early Maturity, and possible delays in repayment;
- (iii) is not issued or guaranteed by Citibank, N.A. or Citigroup Pty Ltd and Citibank, N.A. and Citigroup Pty Ltd do not stand behind the capital value and/or performance of the MLI; and
- (iv) Section 7 of the PDS ("Tax Considerations") is provided only for the benefit of the Issuer and is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. Investors must seek their own independent advice on the taxation implications relevant to their own circumstances before making any investment decision.

THIS IS PAGE 3 OF 4 PAGES OF THE APPLICATION FORM. PLEASE READ AND COMPLETE THE APPLICANT'S DECLARATION AND SIGN WHERE INDICATED ON PAGE 4.

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Directory

Issuer

Citigroup Global Markets Australia Pty Limited
Level 40
Citigroup Centre
2 Park Street
Sydney NSW 2000
Australia

Broker

Citigroup Global Markets Australia Pty Limited
Level 40
Citigroup Centre
2 Park Street
Sydney NSW 2000
Australia

Registrar

Computershare Investor Services Pty Limited
60 Carrington Street
Sydney NSW 2000
Australia

Taxation Adviser

Greenwoods & Freehills Pty Limited
MLC Centre
Martin Place
Sydney NSW 2000

Legal Adviser

Freehills
MLC Centre
Martin Place
Sydney NSW 2000

CitiFirst

CitiFirst offers smart investments across any asset class to suit your individual needs.

CitiFirst – putting you first

CitiFirst has the investment products and expertise you need to take advantage of global market opportunities fast.

CitiFirst – first in smart investments

CitiFirst gives you instant access to smart investments that are easy to understand and select.

CitiFirst – get there first



CitiFirst Protection
Full capital protection

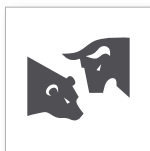


CitiFirst Performance
Some capital protection



CitiFirst Opportunity
No capital protection

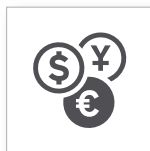
CitiFirst is the family name for Citi's offering of warrants, turbos, certificates, funds and notes. Tailored to meet the needs of a broad range of investors, these smart investment solutions fall into three categories, each with a defined level of capital protection.



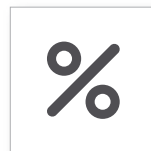
Equities



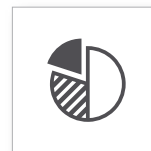
Commodities



Currencies



Interest Rates



Alternative Investments

Five symbols represent the assets underlying a CitiFirst smart investment product. When depicting a product, the relevant underlying asset will be shown as a symbol on the cube.

For details of our CitiFirst product range, please go to www.citifirst.com

