



DEFERRED PURCHASE AGREEMENTS

# Alpha ReCharge

Product Disclosure Statement - 17 July 2009  
Alpha ReCharge (Volatility Target S&P/ASX 200 Price Index)  
Deferred Purchase Agreement

# Important information about Alpha ReCharge

**Product Disclosure Statement:** This Product Disclosure Statement ("PDS") is dated 17 July 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:** Alpha ReCharge (Volatility S&P/ASX 200 Price Index) ("Alpha ReCharge") 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. Alpha ReCharge 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 Alpha ReCharge.

**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.

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**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 Alpha ReCharge, 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 Alpha ReCharge, 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 Alpha ReCharge, the Reference Index or the Delivery Assets.

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**Updates relating to this PDS:** The Issuer may make available updated information relating to this PDS. Investors may access this information at [www.citifirst.com.au/alpha\\_recharge.html](http://www.citifirst.com.au/alpha_recharge.html) 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 Alpha ReCharge. 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.alpha-invest.com.au](http://www.alpha-invest.com.au), or alternatively at [www.citifirst.com.au/alpha\\_recharge.html](http://www.citifirst.com.au/alpha_recharge.html). 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 Alpha or the Issuer to any person who requests one, free of charge. To obtain a paper copy free of charge, please call Alpha on 1300 76 96 94. You may also contact the Issuer on 1300 30 70 70 to obtain a paper copy of this PDS. 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 Alpha ReCharge.

**Social or Ethical Considerations:** Alpha ReCharge does not take into account labour standards or environmental, social or ethical standards.

**Arranger:** Alpha Structured Investments Pty Ltd, ABN 37 112 062 594 AFSL 290054 is the arranger and distributor for the issue of Alpha ReCharge. Alpha is not responsible for, and does not warrant nor make any representation regarding the performance of Citi as the Issuer of Alpha ReCharge. Citi takes no responsibility and accepts no liability for advice given or statements made by Alpha or any Approved Adviser in relation to this product and none of Alpha or any Approved Adviser acts as the agent or representative of Citi in giving any advice or making any representations to Investors of Alpha ReCharge. Investors will have no recourse to Citi for any advice given or representations made by Alpha or any Approved Adviser to investors. Alpha will be paid an Arranger Fee of up to 1.375% of the Notional Exposure Amount (inclusive of GST). Approved Advisers will be paid the Financial Adviser Fee of up to 3.30% of the Notional Exposure Amount (inclusive of GST).

For further information regarding Alpha please see the Alpha website at [www.alpha-invest.com.au](http://www.alpha-invest.com.au) or contact Alpha at [info@alpha-invest.com.au](mailto:info@alpha-invest.com.au) or on 1300 769 694. The Alpha website is not a Citi website. Any contact e-mail addresses or numbers contained on that website are not maintained or updated by Citi. Citi does not take any responsibility for the content or information available from Alpha on the Alpha website or by email.

**Nature of Units:** Please note that references to a "Unit" throughout this PDS means an investment in Alpha ReCharge of an amount equal to the Issue Price. It is not a unit in a managed investment scheme. Alpha ReCharge is an agreement between the Investor and the Issuer under which the Investor agrees to purchase the Delivery Parcel from the Issuer or a deferred basis governed by the Terms.

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## Key Dates for Alpha ReCharge\*

Event	Date
Offer Opens	17 July 2009 at 9.00 am (Sydney time)
Offer Closes	31 July 2009 at 5:00 pm (Sydney time)
Issue Date	7 August 2009
Maturity Date	7 February 2014
Coupon Observation Dates	9 August 2010, 8 August 2011, 7 August 2012 and 7 August 2013
Coupon Payment Dates	5 Business Days after each Coupon Observation Date

\* 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 Alpha at [info@alpha-invest.com.au](mailto:info@alpha-invest.com.au) or on 1300 76 96 94.**

# Term Sheet

Arranger:	Alpha Structured Investments Pty Ltd
Issuer:	Citigroup Global Markets Australia Pty Limited
Guarantor:	Citigroup Inc. (S&P A (Stable), Moody's A3 (Stable), Fitch A+ (Stable))
Product:	Alpha ReCharge (Volatility Target S&P/ASX 200 Price Index)
Offer Closes:	31 July 2009 at 5:00 pm
Issue Date:	7 August 2009
Maturity Date:	7 February 2014
Term:	4 years and 6 months
Denomination:	Australian Dollars ("AUD")
Investment:	Alpha ReCharge is an agreement between the Investor and the Issuer under which the Investor agrees to purchase the Delivery Parcel from the Issuer on a deferred basis governed by the Terms. The Investment comprises the number of Units held for by the Investor.
Issue Price:	AUD 0.22175 per Unit
Investment Amount:	The actual amount paid by the Investor to the Issuer by the Offer Closes.
Minimum Investment Amount:	100,000 Units (equivalent to AUD 22,175) and multiples of 1,000 Units (equivalent to AUD 221.75) thereafter.
Notional Exposure per Unit:	AUD 1.00 The Notional Exposure per Unit is the amount of notional exposure that Investors obtain in respect of the Dynamic Portfolio on the Issue Date. This means that every Unit has AUD 1.00 exposure to the Dynamic Portfolio despite the Issue Price of less than AUD 1.00 per Unit. Investors will thus obtain notional "leverage" to the Dynamic Portfolio without borrowing. This feature has the potential to increase gains or magnify losses. Please see Section 2 of this PDS for risks associated with leverage.
Notional Exposure Amount:	Notional Exposure per Unit multiplied by the number of Units held by the Investor.
Reference Index:	S&P/ASX 200 Price Index (Reuters: .AXJO; Bloomberg: AS51 <Index>)
Dynamic Portfolio:	Notional portfolio with volatility-adjusted exposure to the Reference Index and a cash component that changes according to the Index Allocation.
Index Allocation:	The percentage allocation of the Reference Index within the Dynamic Portfolio that changes according to the relationship between Historical Volatility and the Volatility Target as monitored on each Trading Day.
Volatility Period:	60 consecutive Trading Days.
Historical Volatility:	Annualised average volatility of the Reference Index during the preceding Volatility Period, determined in accordance with the Volatility Formula.
Volatility Target:	16.5%
Dynamic Portfolio Value:	Closing value of the Dynamic Portfolio on any Trading Day, including the Coupon Observation Dates and the Maturity Date.
Dynamic Portfolio Return:	The Dynamic Portfolio Return is calculated according to the following formula: <b>Dynamic Portfolio Value / Dynamic Portfolio Value on Issue Date - 100%</b> The Dynamic Portfolio Value on the Issue Date is set to AUD 1.00
Coupon Observation Dates:	9 August 2010, 8 August 2011, 7 August 2012 and 7 August 2013
Coupon Payment Dates:	5 Business Days after each Coupon Observation Date
Coupon Payment Rate*:	On each Coupon Observation Date the Coupon Payment Rate is equal to the Dynamic Portfolio Return, except that the Coupon Payment Rate cannot be less than 0% nor more than 7%. This is represented by the following formula: Coupon Payment Rate = Min 7%, Max (Dynamic Portfolio Return , 0%)

Coupon Payment per Unit*:	Coupon Payment Rate x Notional Exposure per Unit
Final Value per Unit*:	<p>The Final Value per Unit at Maturity is equal to the Dynamic Portfolio Return at Maturity less the sum of the Coupon Payment Rates throughout the Term, multiplied by the Notional Exposure per Unit. However the Final Value per Unit cannot be less than 0%. This is represented by the following formula:</p> <p>Final Value per Unit = Max (Dynamic Portfolio Return at Maturity - sum of the Coupon Payment Rates, 0%) x Notional Exposure per Unit</p>
No Capital Protection*:	There is no Capital Protection for this Investment. Investors should be aware that each Coupon Payment per Unit and/or the Final Value per Unit may be zero.
Delivery Asset:	Shares in the Commonwealth Bank of Australia (the "Commonwealth Bank") (an ASX listed share, ASX code: CBA)
Fees:	<p>Financial Adviser Fee - An upfront fee payable by the Issuer of up to 3.30% (including GST) of the Notional Exposure Amount.</p> <p>Arranger Fee - An upfront fee payable by the Issuer of up to 1.375% (including GST) of the Notional Exposure Amount.</p> <p>Administration Fee - If there is no Delivery Parcel deliverable in accordance with the Terms, the Issuer is entitled on the Maturity Date to a fee for the costs incurred in relation to the administration of the Portion. The fee would ordinarily be payable by the Investor, however the Issuer will keep the Portion in satisfaction of that fee and no additional amount will be payable by the Investor.</p>

\* There is no capital protection for this product. Any payments are subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. (S&P A (Stable), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of the PDS). For more details, please refer to Section 2 of this PDS.

# Section 1 - Introducing Alpha ReCharge

## What is Alpha ReCharge?

Alpha ReCharge is linked to the performance of a notional portfolio ("Dynamic Portfolio") which is made up of a notional exposure to the Reference Index and a notional cash component, where the exposure to the Reference Index varies according to the calculated Historical Volatility of the Reference Index:

Asset	Currency	Index Allocation	Bloomberg Code	Reuters Code
S&P/ASX 200	AUD	Wt%	AS51 <Index>	.AXJO
AUD notional cash amount	AUD	(100 - Wt)%	N/A	N/A

Index Allocation (Wt%) to the Reference Index may be set between 0% and 200%, which means the allocation to the cash component may be set between -100% and 100%. When allocation to the cash component is negative, it is effectively a loan that allows the Investment to have an exposure to the Reference Index that is greater than the value of the Investment Amount.

Alpha ReCharge offers the potential for coupon payments and capital growth linked to the performance of the Dynamic Portfolio. However, there is no assurance that the total payout from Alpha ReCharge will be at least equal to the Investment Amount. The payout from Alpha ReCharge is dependent on the value of the Dynamic Portfolio at various points in time during the life of Alpha ReCharge.

Alpha ReCharge is classified as a "security" under the Corporations Act because it gives Investors an equitable interest in a portion of the Delivery Assets ("Portion") 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. It cannot be dealt with separately to the rest of Alpha ReCharge.

## How is Alpha ReCharge structured?

Alpha ReCharge is structured as a deferred purchase agreement. Under a deferred purchase agreement, 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.

For more details, please refer to the section titled "What happens at Maturity?".

## What are the Delivery Assets?

On the Settlement Date the Issuer will be required to deliver to the Investor shares in Commonwealth Bank (ASX Code = CBA). The value of these shares will be equal to the Final Value per Unit (as explained below) multiplied by the number of Units held by an Investor less any Costs and Taxes. If any Costs and Taxes are payable, these will be deducted from the Total Value (as at the date of this PDS, no Costs and Taxes are anticipated).

The Issuer will only deliver a whole number of Delivery Assets (which will include the Portion). If any fraction of a Delivery Asset would otherwise be transferable by the Issuer to the Investor, the Issuer may keep that fraction of the Delivery Asset (which includes the Portion) and cause to be paid an amount equal to the value of the fraction of the Delivery Asset foregone, based on the Official Closing Price on the Trading Day immediately following the Maturity Date, provided that the amount exceeds AUD 20. If the amount does not exceed AUD 20, the Issuer is entitled to keep that amount and is under no obligation to the Investor to make any payment for the fraction.

## What is the investment objective of Alpha ReCharge?

The investment objective of Alpha ReCharge is to provide access to the growth potential of the Australian equity market through payouts that are based on positive returns from a volatility-adjusted exposure to the S&P/ASX 200 Price Index. Note that this Investment does not provide any capital protection.

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

## What is the investment strategy of Alpha ReCharge?

Volatility-adjusted exposure to the Reference Index is provided by constructing a Dynamic Portfolio in which allocation to the

Reference Index will be set according to the calculated Historical Volatility of the same Reference Index. An increased Index Allocation will result in increased exposure to (and therefore greater participation in the gains and losses of) the Reference Index. The Index Allocation depends on the Historical Volatility: in times of high volatility, exposure to the Reference Index is reduced; and in times of low volatility, exposure to the Reference Index is increased. When the Index Allocation to the Reference Index in the Dynamic Portfolio is adjusted it will be set to a level between 0% to 200%, depending on the level of the calculated Historical Volatility.

If on a Coupon Observation Date the Dynamic Portfolio Return is positive, then the Coupon Payment Rate on that Coupon Observation Date will be equal to the Dynamic Portfolio Return (subject to a minimum of 0% and cap of 7%). The Final Value per Unit is equal to the Dynamic Portfolio Return at Maturity minus the aggregate of any Coupon Payment Rates and multiplied by the Notional Exposure per Unit. In any case, the calculation of the Final Value per Unit is subject to a minimum of zero.

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

Investor Seeks	Investor Can Accept *
A medium-term market linked investment	A holding period of 4 years and 6 months
Exposure to the Australian equity market at an Issue Price which is less than the Notional Exposure per Unit of the Investment	The risks associated with investing in the Australian equity market
Potential for a Coupon Payment per Unit and Final Value per Unit linked to the performance of the Dynamic Portfolio	No Capital Protection, and hence the possibility that each Coupon Payment per Unit and/or the Final Value per Unit may be zero. That is, the risk of losing part or all of the Investment Amount
	The possibility that returns may be less than the return you could earn on other investments
	Physical delivery of the Delivery Asset
	Ability to understand and perform the necessary due diligence on the Reference Index

\* Please refer to Section 2 of this PDS for more details on risks.

### What is the investment profile of Alpha ReCharge?

Term	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 Capital Protection	Income	Growth

### What is volatility?

The volatility of the Reference Index is a measure of the variability of the Reference Index's level. The more the Reference Index level fluctuates in a given period of time, the higher its volatility and the less certain one can be of the return from an investment in the Reference Index during that time.

For the purpose of Alpha ReCharge, the Historical Volatility (sometimes referred to as 'realised volatility') of the Reference Index is calculated on each Trading Day. This measure is based on the average of the actual day-to-day fluctuation of the Reference Index over the 60 Trading Days preceding the day of determination, which is then adjusted for the number of days in a calendar year. Numerically, the Historical Volatility of the Reference Index is determined by the Volatility Formula set out in Section 9 of this PDS.

### Dynamic Portfolio Value and Index Allocation

A Dynamic Portfolio is constructed so that the Investor can obtain a notional exposure to the Reference Index and a notional cash amount. The Index Allocation is the set percentage of the Dynamic Portfolio exposed to the Reference Index, and is determined by the relationship between Historical Volatility and the Volatility Target of the Reference Index.

The Dynamic Portfolio is made up of two components. The first component is the notional exposure to the Reference Index as determined by the Index Allocation. The second component is an AUD denominated notional cash amount that is non-interest bearing and is positive when the Index Allocation is within the range of 0% to 100%. However, the notional cash amount will

take the form of a zero interest loan and is negative when the Index Allocation is within the range of 100% to 200%.

When the Reference Index changes in value by a given percentage, the value of the Dynamic Portfolio that is allocated to the Reference Index as determined by the Index Allocation will change in value by the same percentage. The value of the notional cash component in the Dynamic Portfolio will not change in value. When the allocation to the notional cash component is positive, any change in Reference Index will result in a smaller change in the value of the Dynamic Portfolio. When the allocation to the notional cash component is negative, any change in the Reference Index will result in a greater change in the value of the Dynamic Portfolio by virtue of the notional loan.

If today (t) the allocation of the Dynamic Portfolio to the Reference Index is the Index Allocation (Wt%), the value of the Dynamic Portfolio on the next day (DPVt+1) will relate to the value of the Dynamic Portfolio today (DPVt) in the following way:

$$DPVt+1 = DPVt \times Wt\% \times (\text{Reference Index}_{t+1} / \text{Reference Index}_t) + DPVt \times (1 - Wt)\%$$

As the Official Closing Price of the Reference Index changes (from Reference Index t today to Reference Index t+1 the next day), the value of the Dynamic Portfolio exposed to the Reference Index changes in line with the Reference Index, so its value changes from  $DPVt \times Wt$  today, to  $DPVt \times Wt \times \text{Reference Index}_{t+1} / \text{Reference Index}_t$  the next day. The value of the Dynamic Portfolio exposed to the notional cash amount i.e.  $DPVt \times (1 - Wt)$ , will not change when the Reference Index changes in value.

The value of the Dynamic Portfolio on the Issue Date is AUD 1.00 per Unit. The allocation to the Reference Index on the Issue Date will be determined using the calculated Historical Volatility of the Reference Index determined on that day.

A greater allocation to the Reference Index would therefore give the Dynamic Portfolio greater exposure, or participation, to the changes in the level of the Reference Index, and vice versa.

### What is the volatility adjustment methodology?

The volatility adjustment methodology is the methodology that is followed to adjust the allocation of the Dynamic Portfolio to the Reference Index according to the Historical Volatility. The methodology aims to achieve the Volatility Target for Historical Volatility and allows the Historical Volatility to move within a certain percentage range before the allocation of the Dynamic Portfolio to the Reference Index is dynamically adjusted.

As at the date of the PDS, the Volatility Target was expected to be 16.5%. Hence, if the allocation is to be adjusted on a Trading Day and:

- (i) the Historical Volatility is approximately equal to the Volatility Target, the allocation to the Reference Index will be adjusted to 100%;
- (ii) the Historical Volatility is above the Volatility Target, the allocation to the Reference Index will be set at a level ranging from 100% down to 0%, with the allocation decreasing as the volatility increases;
- (iii) the Historical Volatility is below the Volatility Target, allocation to the Reference Index will be set at a level ranging from 100% up to 200%, with the allocation increasing as the volatility decreases.

Historical Volatility is calculated each Trading Day, however the Index Allocation is only adjusted on a corresponding Trading Day when Historical Volatility changes from its current range to a new Historical Volatility range, as given in the table below. Therefore, if Historical Volatility remains within its current range over two successive Trading Days, the Index Allocation will remain unchanged, irrespective of any changes in the Reference Index.

In general, based on the immediate preceding Volatility Period, in periods of high volatility the Index Allocation will decrease. In periods of low volatility the Index Allocation will increase. The Index Allocation can be as high as 200%, in periods of low volatility, and can decrease to 0% in periods of high volatility. The schedule below shows indicative Index Allocations for the differing levels of Historical Volatility.

- (i) the Historical Volatility is approximately equal to the Volatility Target, the allocation to the Reference Index will be adjusted to 100%;

### Indicative Index Allocation for different levels of Historical Volatility

Historical Volatility range	Index Allocation
0% - 10.00%	200.00%
10.01% - 10.70%	190.00%
10.71% - 11.30%	180.00%
11.31% - 12.00%	170.00%
12.01% - 12.60%	160.00%
12.61% - 13.30%	150.00%
13.31% - 13.90%	140.00%
13.91% - 14.60%	130.00%
14.61% - 15.20%	120.00%
15.21% - 15.90%	110.00%
15.91% - 16.50%	100.00%
16.51% - 17.40%	96.70%
17.41% - 18.30%	93.30%
18.31% - 19.30%	90.00%
19.31% - 20.20%	86.70%
20.21% - 21.10%	83.30%
21.11% - 22.00%	80.00%
22.01% - 22.90%	76.70%
22.91% - 23.80%	73.30%
23.81% - 24.80%	70.00%
24.81% - 25.70%	66.70%

Historical Volatility range	Index Allocation
25.71% - 26.60%	63.30%
26.61% - 27.50%	60.00%
27.51% - 28.40%	56.70%
28.41% - 29.30%	53.30%
29.31% - 30.30%	50.00%
30.31% - 31.20%	46.70%
31.21% - 32.10%	43.30%
32.11% - 33.00%	40.00%
33.01% - 33.90%	36.70%
33.91% - 34.80%	33.30%
34.81% - 35.80%	30.00%
35.81% - 36.70%	26.70%
36.71% - 37.60%	23.30%
37.61% - 38.50%	20.00%
38.51% - 39.40%	16.70%
39.41% - 40.30%	13.30%
40.31% - 41.30%	10.00%
41.31% - 42.20%	6.70%
42.21% - 43.10%	3.30%
43.11%+	0.00%

Please note that the Historical Volatility calculation is based on a 365-day year which includes days that are not Trading Days. This would result in an Index Allocation that is lower than would have resulted if the calculation is based on the number of days that the Relevant Exchange is open for trading.

### Examples for Dynamic Portfolio Value and Index Allocation

The following examples are hypothetical scenarios included solely so that Investors may gain insight into the possible impact the Index Allocation has on the Dynamic Portfolio Value, and are not indications of future performance of the Dynamic Portfolio Value and not a forecast or prediction of the level of Historical Volatility and Index Allocation.

Example	Historical Volatility range	Index Allocation	Impact on the Dynamic Portfolio Value
Let us assume the calculated Historical Volatility changes from 10.60% on the previous Trading Day to 11% today. The Index Allocation will be set to 180%.	10.70% to 11%	180%	The Dynamic Portfolio Value will increase or decrease by 1.8% per 1% move in the Reference Index
Let us assume the calculated Historical Volatility changes from 16.60% on the previous Trading Day to 16.50% today. The Index Allocation will be set to 100%.	15.90% to 16.50%	100%	The Dynamic Portfolio Value will increase or decrease by 1% per 1% move in the Reference Index
Let us assume the calculated Historical Volatility changes from 21.20% on the previous Trading Day to 21.10% today. The Index Allocation will be set to 83.30%.	20.20% to 21.10%	83.30%	The Dynamic Portfolio Value will increase or decrease by 0.8330% per 1% move in the Reference Index

### What Coupon Payment Rate may an Investor receive during the Term?

If the Dynamic Portfolio Return on each Coupon Observation Date is positive, Investors may receive a Coupon Payment Rate within the range of percentage returns illustrated in the table below:

Year	Coupon Payment Rates	Coupon Observation Date
1	Between 0% and 7%	9 August 2010
2	Between 0% and 7%	8 August 2011
3	Between 0% and 7%	7 August 2012
4	Between 0% and 7%	7 August 2013

Between year 1 and year 4 the Investors may receive a Coupon Payment Rate capped at 7%. The Coupon Payment Rate for each year changes in the same proportion as the Dynamic Portfolio Return so long as the Dynamic Portfolio Return is greater than 0% and no more than 7%.

For example, if the Dynamic Portfolio Return at the end of the first year is 6%, the Coupon Payment Rate payable on the corresponding Coupon Payment Date to Investors will be equal to 6%. If at the end of the second year the Dynamic Portfolio Return subsequently increases to 8%, then the Coupon Payment Rate that year will be equal to 7%. Assume that the Dynamic Portfolio Return remains at or greater than 8% for the remainder of the Term. In that case, the Coupon Payment Rates at the third and fourth years will also be capped at 7%.

For numerical examples of the calculation of the coupon payments, please refer to Section 3 of the PDS.

### How is the Final Value per Unit determined at Maturity?

At Maturity, the Investor has exposure to the Dynamic Portfolio Return less the aggregate of the Coupon Payment Rates the Investor has received over the Term. This is subject to the resulting value not equalling a negative number, in which case the Final Value per Unit is subject to a minimum of zero.

For numerical examples of the calculation of the Final Value per Unit at Maturity, please refer to Section 3 of the PDS.

### What fees are payable in relation to Alpha ReCharge?

The Issuer may pay a Financial Adviser Fee of up to 3.30% (including GST) of the Notional Exposure Amount and an Arranger Fee of up to 1.375% (including GST) of the Notional Exposure Amount. These fees will be paid by Citi at no additional cost to Investors.

If there is no Delivery Parcel deliverable in accordance with the Terms, the Issuer is entitled on the Maturity Date to a fee for the costs incurred in relation to the administration of the Portion ("Administration Fee"). The fee would ordinarily be payable by the Investor, however the Issuer will keep the Portion in satisfaction of that fee and no additional amount will be payable by the Investor.

For information on what fees and commissions are payable in connection with an investment in Alpha ReCharge, please refer to Section 5 of this PDS.

### Can the Reference Index change?

The Reference Index is set for the Term. However, if the Reference Index is removed from quotation or suspended, the relevant Reference Index may be substituted in whole or in part with another index at the discretion of the Issuer. The new index will be chosen by the Issuer to match as closely as possible the original Reference Index. Substitution of the Reference Index may only occur following an Adjustment Event or where the Issuer believes that not doing so would cause or allow the investment exposure to diverge from that described in this PDS, or failing to make such a variation would otherwise result in an Early Maturity Event. If such a substitution occurs, Historical Volatility and performance of the Reference Index will be determined by the original Reference Index up until the time the Reference Index is substituted, and after this time by the new reference index.

More information on the Reference Index can be found in Section 4 of this PDS. Please also see clause 5 of the Terms in relation to Adjustment Events.

### What are the significant benefits of investing in Alpha ReCharge?

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

- **Growth Potential** - Alpha ReCharge provides exposure to the growth potential of the Australian equity market by linking the investment to the performance of the Reference Index.

- Risk Monitoring via the volatility adjustment methodology** - The volatility adjustment methodology is an innovative risk control mechanism that dynamically adjusts the Index Allocation of the Dynamic Portfolio according to Historical Volatility calculated in accordance with the Volatility Formula. Performance of the Dynamic Portfolio is decreased when the Investor has less exposure to the Reference Index (i.e. an Index Allocation is set at less than 100%) during periods of relatively high Historical Volatility. The performance of the Dynamic Portfolio is increased when the Investor has increasing exposure to the Reference Index (i.e. an Index Allocation is set at greater than 100%) during periods of relatively low Historical Volatility.

### What are the significant risks of investing in Alpha ReCharge?

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

- No Capital Protection** - Alpha ReCharge is not capital protected, hence there is the possibility that the Investor may lose part or all of their Investment Amount.
- Possibility of no coupon payment** - There is the possibility that the Coupon Payment per Unit may be zero.
- Early Maturity** - In certain circumstances Alpha ReCharge may be terminated before Maturity and where Early Maturity applies, the value of Alpha ReCharge may be less than the Investment Amount and Break Costs may apply.
- Tax and change of law** - Changes to laws or their interpretation in Australia, including taxation and corporate regulatory laws, could have a negative impact on the return to Investors.
- Dynamic Portfolio Return** - There is no guarantee that the performance of the Dynamic Portfolio will, on the Maturity Date, be positive.
- Agency Sale Arrangement** - If you elect the Agency Sale Arrangement, the Official Closing Price on the Trading Day immediately following the Maturity Date may not be achievable and you may therefore receive less than the Total Value.

### Is Alpha ReCharge transferable?

Alpha ReCharge is unlisted and transferable. It cannot be traded on any financial market.

### What are the currency risks in relation to Alpha ReCharge?

There will be no currency risk associated with Alpha ReCharge because all the securities comprising the Reference Index, the notional cash component of the Dynamic Portfolio and the Delivery Assets are denominated in Australian dollars.

### What are the potential tax implications for an investment in Alpha ReCharge?

Investors who are resident of Australia for the purposes of Australian income tax should include coupon payments in their assessable income when received.

Australian tax resident Investors who hold Alpha ReCharge as an investment on capital account may, depending on the performance of Alpha ReCharge, derive either a capital gain or capital loss on Maturity. Where such Investors are natural persons, trusts, or complying superannuation funds any capital gain arising on Maturity of Alpha ReCharge should be eligible for the CGT discount concession. On the other hand, any loss of principal on Early Maturity or at Maturity should represent a CGT loss. A CGT loss is not deductible against assessable income but can only be used to reduce CGT gains from other CGT events.

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

Capital gains and losses arising on Maturity to Investors who are not Australian tax residents and who hold Alpha ReCharge as an investment on capital account will generally be disregarded for Australian tax purposes.

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 Alpha ReCharge.

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 Alpha ReCharge.

### Do investors in Alpha ReCharge receive dividends?

Investors are not entitled to receive any dividends or distributions on their Investment during the Term.

### 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, Alpha ReCharge will automatically default to physical delivery of the Delivery Assets. However, please note that any applicable Costs and

Taxes, including brokerage, will be deducted from the Total Value before delivery of the Delivery Parcel.

The option that is best for each individual Investor depends on their preferences.

### 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 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 Delivery Asset 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 Delivery Asset foregone, based on the Official Closing Price on the Trading Day immediately following the Maturity Date, provided that the amount exceeds AUD 20. If the amount does not exceed AUD 20, 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 Investor's behalf and will 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 Price 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. If the Issuer is unable to sell the Investor's Delivery Parcel at the Official Closing Price on the Trading Day immediately following the Maturity Date, the Issuer will use its best endeavours to sell the Delivery Parcel as soon as practicable at the best price the Issuer can obtain; the Investor may therefore receive less than the Total Value. Payment will be made within 10 Business Days of the Settlement Date or as soon as reasonably practicable thereafter.

If the Delivery Parcel would otherwise include any fraction of the Delivery Assets, the Issuer will transfer the equivalent value of the fraction 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 4:10 pm Sydney time on the Trading Day immediately following 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 Price; or
- (ii) determine the Official Closing Price to be the price determined by the Issuer as its best estimate of the Delivery Asset value at or around 4:10 pm Sydney time on the Trading Day immediately following 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 Alpha ReCharge be terminated early?

Investors may terminate their investment in Alpha ReCharge before the Maturity Date by contacting the Issuer and requesting in writing an Early Maturity for the full amount of the Investor's Investment. 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 10); 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 each Unit 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 each Unit 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 any accrued coupon payments up until the Early Maturity Date. However, Investors will not be paid any coupon payments in respect of the period after the Early Maturity Date.

It is important to note that 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 that the Issuer provides no capital protection for this Investment.

### **Can the Issuer terminate early without Investor approval?**

Yes. Alpha ReCharge may be terminated early by the Issuer 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 Alpha ReCharge. Clause 4 of the Terms (in Section 9 of this PDS) describes the events that constitute an Early Maturity Event. An example of an Early Maturity Event is if any of the securities in the Reference Index are suspended for any reason. 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 number of Delivery Assets or the Sales Proceeds from the Agency Sale Arrangement will be determined by reference to the Refund or the fair economic value of Alpha ReCharge at or 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 or Refund will take into account any accrued coupon payments up until the Early Maturity Date. However, Investors will not be paid any coupon payments in respect of the period after the Early Maturity Date.

Please note that the Issuer provides no capital protection for this Investment.

### **Can the Issuer change the Terms of Alpha ReCharge?**

Yes. 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 Alpha ReCharge offer any capital protection?**

No, Alpha ReCharge does not offer any capital protection. As such, the Investor may lose the full Investment Amount.

Alpha ReCharge is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and the Guarantor (S&P A (Stable), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of the PDS).

### **Issue Size**

The Issuer aims to raise the equivalent of at least AUD 5 million. If less than the equivalent of AUD 5 million is raised, the Issuer may, in its absolute discretion, issue Alpha ReCharge anyway. However, the Issuer retains the discretion to reject any Applications. If the Issuer rejects Applications, the Investment Amounts will be returned to Applicants (without interest) either by bank transfer or by cheque at the risk of the Applicant within 14 Business Days after the Offer Closes.

### **Disputes concerning Alpha ReCharge**

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 Alpha ReCharge 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 3  
Melbourne, Victoria, 3001  
Telephone: 1300 780 808  
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 AUD 150,000.

# Section 2 – Risks of investing in Alpha ReCharge

## Risk Factors

### *Early Maturity risk*

In certain circumstances Alpha ReCharge 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. Prior to Maturity Investors will receive the fair economic value of Alpha ReCharge or the Refund (as determined by the Issuer) which will be based on various market factors, such as performance of the Dynamic Portfolio, interest rates, volatility and time remaining to Maturity. This may result in the value of Alpha ReCharge 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*

There is no guarantee that the Final Value per Unit will, on the Maturity Date, be higher than the Issue Price. The value of Alpha ReCharge will be affected by a number of market variables that change daily, such as the performance of each individual share within the Reference Index, interest rates, volatility and the trading liquidity of the Reference Index, prevailing and anticipated economic conditions, technological, legal or political conditions, other inter-related factors which affect the performance of markets generally and the share market specifically, and time remaining to Maturity. For example:

- a rise in the trading price of the securities in the Reference Index during the Term may result in an increased value of Alpha ReCharge, while a fall in the trading price of the securities in the Reference Index may result in a decreased value; and
- a rise in interest rates during the Term may result in a reduced value of Alpha ReCharge and vice versa.

### *Credit risk*

The Issuer is a wholly owned subsidiary of Citigroup Inc. (S&P A (Stable), 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 [www.citifirst.com.au/about\\_us.html](http://www.citifirst.com.au/about_us.html). Hard copies of those financial statements can be obtained by calling Citi on 1300 30 70 70.

The value of Alpha ReCharge 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 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 Alpha ReCharge. 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 and 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, Alpha ReCharge obtains exposure to the Reference Index using over the counter ("OTC") transactions. These OTC transactions must be unwound to allow Early Maturity and consequently Alpha ReCharge may be illiquid and Break Costs and Taxes may be significant.

Alpha ReCharge is not quoted on the ASX or any other financial market. Alpha ReCharge 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 Alpha ReCharge before Maturity.

### *Adjustment Event risk*

There may be adjustments to the Terms of Alpha ReCharge due to Adjustment Events such as (but not limited to) mergers and disposals, price source disruption, trading suspension, material change in the composition of the Reference Index 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 Alpha ReCharge. These include the power to nominate Adjustment Events and Early Maturity Events, to substitute the Delivery Assets and/or Reference Index, 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 Alpha ReCharge as contemplated in the Terms.

### *Tax risk*

We recommend that Investors seek independent tax advice before making an investment in Alpha ReCharge. 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 Alpha ReCharge.

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 ATO 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 Alpha ReCharge.

#### *Factors affecting the Reference Index*

An Investor in Alpha ReCharge should be familiar with shares and with investments in the equity securities markets generally. In particular, Investors should be familiar with the securities market on which securities in the Reference Index are traded and the economic, political and other aspects relevant to investments in that market which may have a material effect on those investments.

#### *Performance of the Reference Index and Dynamic Portfolio*

The value of the Reference Index will vary over time and will have a material effect on the Dynamic Portfolio. The performance of the Reference Index will have a direct effect on each Coupon Payment per Unit and the Final Value per Unit.

#### *Interest rates*

Fluctuations in interest rates can affect the value of Alpha ReCharge during the Term. If long-term interest rates increase then, all other things being equal, the value of Alpha ReCharge is expected to fall. Conversely, if long-term interest rates decrease then, all other things being equal, the value of Alpha ReCharge is expected to increase.

#### *Performance of Alpha ReCharge may be different to the performance of the Dynamic Portfolio*

Investors should be aware that the return they may receive from investing in Alpha ReCharge (e.g. annual coupon payments rate) may be less than or greater than the performance of the Dynamic Portfolio.

There is no guarantee that the performance of the Dynamic Portfolio will, on the Maturity Date, be positive.

#### *Volatility adjustment risk*

The overall performance of the Investment depends upon the performance of the Reference Index, as well as the Index Allocation to the Reference Index. The Index Allocation has the potential to amplify any positive performance in the Reference Index and any gains. However it can also magnify any negative performance in the Reference Index and any losses. The Index Allocation is based upon the calculated Historical Volatility which is adjusted in accordance with the volatility adjustment methodology (please see Section 1 of the PDS "What is the volatility adjustment methodology?").

Investors should be aware that in particular scenarios, the volatility adjustment methodology can dynamically adjust the Index Allocation such that the performance of the Dynamic Portfolio may be worse than the corresponding performance of the Reference Index. Firstly, the Dynamic Portfolio Value may decrease faster than any negative performance of the Reference Index (where Index Allocation is greater than 100%). Secondly, the Dynamic Portfolio Value may increase slower than any positive performance

of the Reference Index (where Index Allocation is less than 100%).

#### *Leverage risk*

Investors should be aware that in circumstances when the Issue Price is less than the Notional Exposure per Unit, the Investment has internal "leverage". While leverage may magnify any potential gains with respect to the Investment, it will also magnify any potential losses with respect to the Investment to the same extent.

No Capital Protection and the possibility of no Coupon Payment per Unit

There is no Capital Protection for this Investment. Investors should be aware of the possibility that each Coupon Payment per Unit and/or the Final Value per Unit may be zero.

#### *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 and the securities comprising the Reference Index. 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 and the securities comprising the Reference Index. 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 or the level of the Reference Index 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 Alpha ReCharge and the risks, rights and obligations associated with Alpha ReCharge. 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 Alpha ReCharge.

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 Alpha ReCharge, or any other financial product.

#### *Agency Sale Arrangement risk*

If an Investor elects the Agency Sale Arrangement, the Issuer may be unable to sell the Investor's Delivery Parcel at the Official Closing Price on the Trading Day immediately following the Maturity Date. Although the Issuer will use its best endeavours to sell the Delivery Parcel as soon as practicable at the best price the Issuer can obtain, there is a risk that Investors may receive less than the Total Value.

## Section 3 – Numerical examples

The calculations and charts in this Section are illustrative examples designed to indicate how an investment in Alpha ReCharge could perform under different scenarios when held to Maturity.

In each of the following numerical examples, assume that the Investor has subscribed for 100,000 Units with an Investment Amount of AUD 22,175 (at an Issue Price of AUD 0.22175 per Unit), thereby obtaining a notional exposure to the Dynamic Portfolio of AUD 100,000 (at a Notional Exposure per Unit of AUD 1.00).

These scenarios have been included solely so that Investors may gain insight into the possible returns that an Investor may receive over the Term of Alpha ReCharge. The Dynamic Portfolio Return, each Coupon Payment per Unit and the Final Value per Unit calculations below, are not forecasts, projections or predictions. Investors are cautioned that the Dynamic Portfolio Return, each Coupon Payment per Unit and the Final Value per Unit calculations are subject to risks and uncertainties, and are not a statement about likely future performance. There is no guarantee that the Issuer will pay each Coupon Payment per Unit or the Final Value per Unit specified in these numerical examples.

These hypothetical numerical examples do not take into consideration tax implications or any Costs and Taxes associated with Alpha ReCharge.

## Bullish Scenario

In this first example, we describe an Investment in Alpha ReCharge where the Dynamic Portfolio Return rises over the Term. The graph below illustrates the percentage performance of the Dynamic Portfolio Return under this scenario.

### Dynamic Portfolio Return



Source: Citi.

Year	Dynamic Portfolio Return	Coupon Payment per Unit	Final Value per Unit
1	29.8%	AUD 0.07	
2	37.3%	AUD 0.07	
3	45.1%	AUD 0.07	
4	44.8%	AUD 0.07	
Maturity	61.6%		AUD 0.336

The annual Coupon Payment per Unit is calculated as follows:

Coupon Payment per Unit = Coupon Payment Rate x Notional Exposure per Unit

Coupon Payment per Unit (year 1) = Min [7%, Max (29.8%, 0%)] x AUD 1.00 = AUD 0.07

Coupon Payment per Unit (year 2) = Min [7%, Max (37.3%, 0%)] x AUD 1.00 = AUD 0.07

Coupon Payment per Unit (year 3) = Min [7%, Max (45.1%, 0%)] x AUD 1.00 = AUD 0.07

Coupon Payment per Unit (year 4) = Min [7%, Max (44.8%, 0%)] x AUD 1.00 = AUD 0.07

Therefore the annual Coupon Payment Rate for each year is 7%. Under such a bullish scenario, an Investor that has subscribed for 100,000 Units would receive the following annual coupon payments on each Coupon Payment Date: AUD 7,000; AUD 7,000; AUD 7,000; AUD 7,000.

The Final Value per Unit is calculated as follows:

Final Value per Unit = Max (Dynamic Portfolio Return at Maturity - sum of the Coupon Payment Rates, 0%) x Notional Exposure per Unit  
 = Max (61.6% - 28.0%, 0%) x AUD 1.00 = AUD 0.336

Therefore the Total Value for an Investor that subscribed for 100,000 Units (that is an Investment Amount of AUD 22,175) would equal AUD 33,600. This means that over the Term the Investor would receive coupon payments and a Total Value of AUD 61,600 (AUD 28,000 plus AUD 33,600).

Investors should be aware that their entitlement to receive coupon payments and the Total Value are obligations of the Issuer and Guarantor. If the Issuer and the Guarantor (S&P A (Stable), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of the PDS) defaults on their obligations to pay any of these amounts, you will be an unsecured creditor in relation to that defaulted obligation.

### Moderate Scenario

In the second example, we describe an Investment in Alpha ReCharge where the Dynamic Portfolio Return remains flat over the first three years then suddenly rises. The graph below illustrates the percentage performance of the Dynamic Portfolio Return under this scenario.

### Dynamic Portfolio Return



Source: Citi.

Year	Dynamic Portfolio Return	Coupon Payment per Unit	Final Value per Unit
1	2.5%	AUD 0.025	
2	-17.5%	AUD 0.000	
3	-9.1%	AUD 0.000	
4	38.7%	AUD 0.070	
Maturity	50.5%		AUD 0.410

The annual Coupon Payment per Unit is calculated as follows:

Coupon Payment per Unit = Coupon Payment Rate x Notional Exposure per Unit

Coupon Payment per Unit (year 1) = Min [7%, Max (2.5%, 0%)] x AUD 1.00 = AUD 0.025

Coupon Payment per Unit (year 2) = Min [7%, Max (-17.5%, 0%)] x AUD 1.00 = AUD 0.000

Coupon Payment per Unit (year 3) = Min [7%, Max (-9.1%, 0%)] x AUD 1.00 = AUD 0.000

Coupon Payment per Unit (year 4) = Min [7%, Max (38.7%, 0%)] x AUD 1.00 = AUD 0.070

The annual Coupon Payment Rate: at year 1 is 2.5%; at year 2 is 0.0%; at year 3 is 0.0%; and at year 4 is 7.0%. Under such a moderate scenario, an Investor that has subscribed for 100,000 Units would receive the following annual coupon payments on each Coupon Payment Date: AUD 2,500; AUD 0; AUD 0; AUD 7,000.

The Final Value per Unit is calculated as follows:

Final Value per Unit = Max (Dynamic Portfolio Return at Maturity - sum of the Coupon Payment Rates, 0%) x Notional Exposure per Unit  
 = Max (50.5% - 9.5%, 0%) x AUD 1.00 = AUD 0.410

Therefore the Total Value for an Investor that subscribed for 100,000 Units (that is an Investment Amount of AUD 22,175) would equal AUD 41,000. This means that over the Term the Investor would receive coupon payments and a Total Value of AUD 50,500 (AUD 9,500 plus AUD 41,000).

Investors should be aware that their entitlement to receive coupon payments and the Total Value are obligations of the Issuer and Guarantor. If the Issuer and the Guarantor (S&P A (Stable), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of the PDS) defaults on their obligations to pay any of these amounts, you will be an unsecured creditor in relation to that defaulted obligation.

### Bearish Scenario

In the third example, we describe an Investment in Alpha ReCharge where the Dynamic Portfolio Return remains relatively flat over the Term but less than the Dynamic Portfolio Value on the Issue Date. The graph below illustrates the path of the Dynamic Portfolio Return under this scenario.

### Dynamic Portfolio Return



Source: Citi.

Year	Dynamic Portfolio Return	Coupon Payment per Unit	Final Value per Unit
1	-5.1%	AUD 0.00	
2	-11.5%	AUD 0.00	
3	-13.6%	AUD 0.00	
4	-4.0%	AUD 0.00	
Maturity	-26.6%		AUD 0.00

The annual Coupon Payment per Unit is calculated as follows:

Coupon Payment per Unit = Coupon Payment Rate x Notional Exposure per Unit

Coupon Payment per Unit (year 1) = [Min 7%, Max (-5.1%, 0%)] x AUD 1.00 = AUD 0.00

Coupon Payment per Unit (year 2) = [Min 7%, Max (-11.5%, 0%)] x AUD 1.00 = AUD 0.00

Coupon Payment per Unit (year 3) = [Min 7%, Max (-13.6%, 0%)] x AUD 1.00 = AUD 0.00

Coupon Payment per Unit (year 4) = [Min 7%, Max (-4.0%, 0%)] x AUD 1.00 = AUD 0.00

Therefore the annual Coupon Payment Rate for each year is 0%. Under such a bearish scenario, an Investor that has subscribed for 100,000 Units would not receive any annual coupon payments on any Coupon Payment Date.

The Final Value per Unit is calculated as follows:

Final Value per Unit = Max (Dynamic Portfolio Return at Maturity - sum of the Coupon Payment Rates, 0%) x Notional Exposure per Unit  
 = Max (-26.6% - 0%, 0%) x AUD 1.00 = AUD 0.00

Therefore the Total Value for an Investor that subscribed for 100,000 Units (that is an Investment Amount of AUD 22,175) would equal zero. This means that over the Term the Investor would receive coupon payments and a Total Value of nil.

# Section 4 – Information about the Reference Index, the Dynamic Portfolio and the Delivery Assets

The value of Alpha ReCharge is linked to the value of the Dynamic Portfolio. At Maturity, the Issuer is required to deliver to Investors the Final Value per Unit multiplied by the number of Units held by the Investor. If any Costs and Taxes are payable, these will be deducted from the Total Value (as at the date of this PDS, no Costs and Taxes were anticipated). 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.

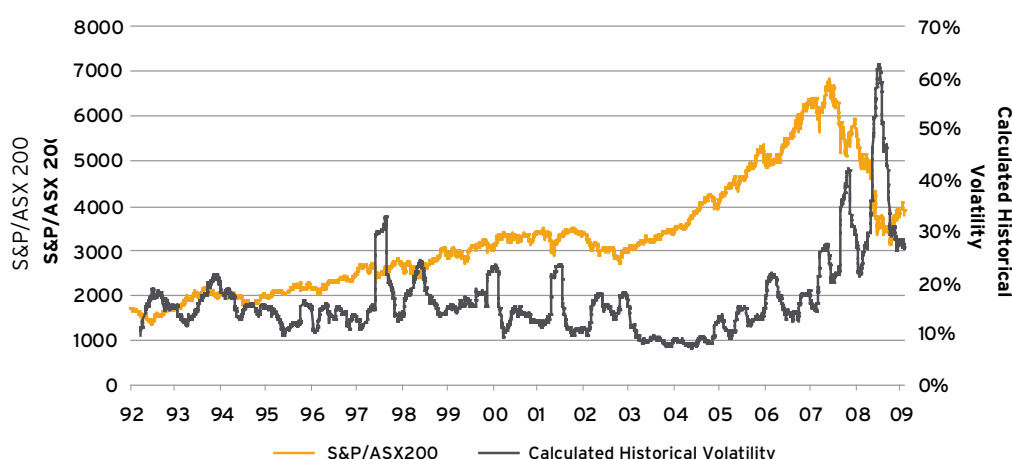
This section of the PDS provides some further information about the Reference Index, Dynamic Portfolio and the Delivery Assets.

## Information on the Reference Index

### S&P/ASX 200 Price Index

The S&P/ASX 200 Price Index is recognised as the investable benchmark for the Australian equity market. It addresses the needs of investment managers to benchmark against a portfolio characterised by sufficient size and liquidity. The S&P/ASX 200 Price Index is comprised of the S&P/ASX 100 plus an additional 100 stocks. It forms the basis for the SPI 200 and the ASX mini200 futures contract.

### Historical Performance and Calculated Historical Volatility (data available from May 1992)



Source: Citi. Based on data obtained from Bloomberg. Bloomberg had no involvement in the preparation of any part of this PDS, accepts no responsibility for any statement in this PDS and has not consented to the use of the data in the chart.

### Past performance is not a reliable indicator of future performance.

The weighting of the S&P/ASX 200 Price Index for different industry sectors as at the date of this PDS and the three largest stocks for each sector are set out in the following table. It is important to note that the S&P/ASX 200 Price Index does not have industry sector caps. The index methodology used by Standard & Poor’s for adding constituents to the S&P/ASX 200 Price Index does not take into account the industry sector to which the constituent belongs. As such, the following information is not indicative of what the industry sector weighting of the S&P/ASX 200 Price Index will be after the date of the PDS, nor is it indicative of the performance of S&P/ASX 200 Price Index.

ASX200 Sector	Weighting	Three Largest Stocks		
Discretionary	3.8%	NWS	TAH	CWN
Energy	8.0%	WPL	ORG	STO
Financials	37.8%	CBA	WBC	NAB
Health Care	3.7%	CSL	SHL	COH
Technology	0.6%	CPU	IRE	SMX
Materials	24.9%	BHP	RIO	NCM
Industrials	5.6%	BXB	TCL	QAN
Staples	9.7%	WOW	WES	FGL
Telecoms	4.6%	TLS	TEL	SGT
Utilities	1.5%	AGK	APA	DUE

The ASX200 Sector weights and stock codes are correct as at the date of the PDS.

### The role of the Reference Index Provider - the Reference Index Provider has had no involvement in this PDS

“Standard & Poor’s” and “S&P” are trademarks of the McGraw-Hill Companies and “ASX” and “ASX 200” are trademarks of ASX Operations Pty Limited, an affiliate of the ASX. The foregoing marks have been licensed for use by the Issuer.

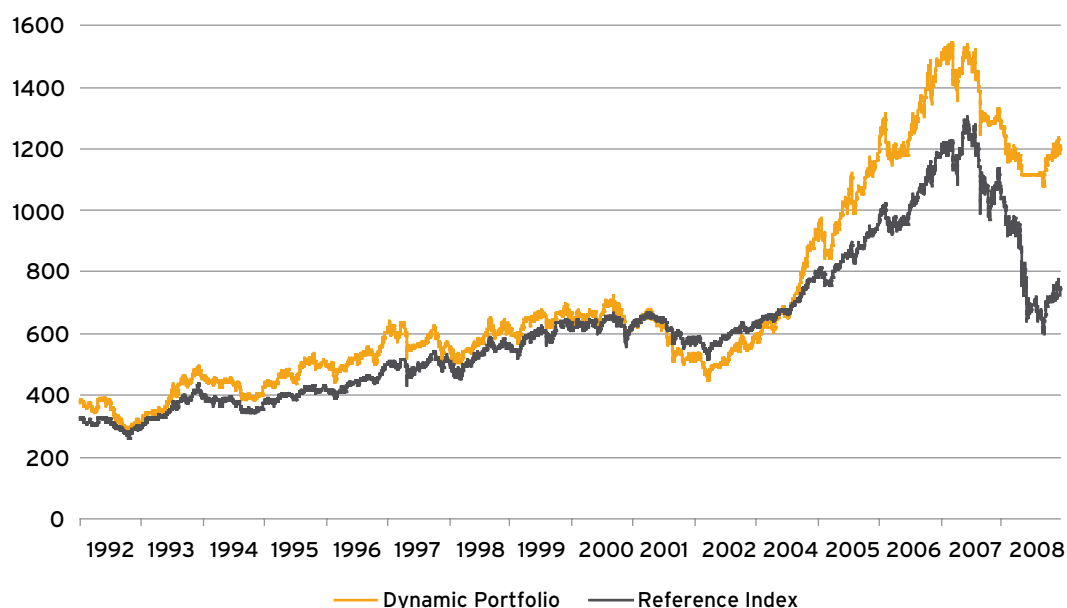
Alpha ReCharge is not sponsored, endorsed, sold or promoted by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (S&P) or the ASX, and neither S&P nor ASX make any representation, condition or warranty, express or implied, to the Investors or any member of the public regarding the advisability of investing in financial products generally or in Alpha ReCharge particularly or the ability of the S&P/ASX 200 Price Index to track general stock market performance. S&P’s and ASX’s only relationship to the Issuer is the licensing of certain trademarks and trade names of S&P and ASX and the S&P/ASX 200 Price Index which is determined, composed and calculated by S&P without regard to the Issuer or Alpha ReCharge. S&P and ASX have no obligation to take the needs of the Issuer or Investors in Alpha ReCharge into consideration in determining, composing or calculating the S&P/ASX 200 Price Index. S&P and ASX are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of Alpha ReCharge to be issued or in the determination or calculation of the equation by which Alpha ReCharge is to be converted into cash. S&P and ASX have no obligation or liability in connection with the administration, marketing or trading of Alpha ReCharge.

S&P and ASX shall obtain information for inclusion in or for use in the calculation of the indices from sources that S&P and ASX consider reliable, but S&P and ASX accept no responsibility for, and shall have no liability for, any errors, omissions or interruptions therein. S&P and ASX do not guarantee the accuracy and/or the completeness of the S&P/ASX 200 Price Index or any data included therein or with respect to any use thereof by the parties or any third party. S&P and ASX make no warranty, express or implied, as to the results to be obtained by any person or entity from the use of the indices or any data included therein. S&P and ASX make no express or implied warranties and expressly disclaim all conditions and warranties implied by statute, general law or custom with respect to the S&P/ASX 200 Price Index or any data included therein except any implied condition or warranty the exclusion of which would contravene any statute or cause any part of this section to be void.

### Information on the Dynamic Portfolio

The Dynamic Portfolio provides a notional exposure to the Reference Index depending on the Index Allocation. The Index Allocation is the exposure to the Reference Index, and is determined by the Historical Volatility calculated in accordance with the Volatility Formula.

The following chart provides a comparison between the performance of the Dynamic Portfolio and the Reference Index based on historical data from the period of January 1992 until June 2009.



Source: Citi.

**Past performance is not a reliable indicator of future performance.**

### 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 Alpha ReCharge and the Final Value per Unit are not 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 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 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 Alpha ReCharge.

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 or Reference Index

If an Adjustment Event occurs the Issuer may:

- (a) substitute the Delivery Asset with any other security quoted and trading on the Relevant Exchange; and/or
- (b) substitute the Reference Index with another index at the discretion of the Issuer. The new reference index will be chosen by the Issuer to match as closely as possible the old Reference Index.

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 Alpha ReCharge

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

There will be no commission, establishment fee or ongoing management fee payable to the Issuer in respect of Alpha ReCharge. 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 does not anticipate any Costs and Taxes will be payable.

If there is no Delivery Parcel deliverable in accordance with the Terms, the Issuer is entitled on the Maturity Date to a fee for the costs incurred in relation to the administration of the Portion (“Administration Fee”). The fee would ordinarily be payable by the Investor, however the Issuer will keep the Portion in satisfaction of that fee and no additional amount will be payable by the Investor.

Should Alpha ReCharge terminate early, the Issuer may charge the Investor any Break Costs associated with Early Maturity. 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 Alpha ReCharge and its responsibilities as Issuer of Alpha ReCharge. However, the calculation of the Final Value per Unit 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 a placement fee, Financial Adviser Fee and/or an Arranger Fee (including GST) in connection with the sale and distribution of Alpha ReCharge. 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.

Fees and Costs	Amount	How and when paid
Financial Adviser Fee: An upfront fee payable in connection with the distribution of Alpha ReCharge	3.30% (including GST) of the Notional Exposure Amount	This upfront fee is paid by Citi at no additional cost to Investors
Arranger Fee: An upfront fee payable in connection with the distribution of Alpha ReCharge	1.375% (including GST) of the Notional Exposure Amount	This upfront fee is paid by Citi at no additional cost to Investors
Administration Fee: If there is no Delivery Parcel deliverable in accordance with the Terms, the Issuer is entitled on the Maturity Date to a fee for the costs incurred in relation to the administration of the Portion	Value of the Portion (including GST)	The fee would ordinarily be payable by the Investor, however the Issuer will keep the Portion in satisfaction of that fee and no additional amount will be payable by the Investor

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 the Guarantor

## Who is the Issuer and the Guarantor?

The Issuer of Alpha ReCharge is Citigroup Global Markets Australia Pty Limited. The Issuer is a wholly owned subsidiary of Citigroup Inc. (S&P A (Stable), 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 Alpha ReCharge.

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 (Stable), Moody's A3 (Stable), Fitch A+ (Stable) as at the date of this PDS), a leading global financial services company, has more than 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 and Banamex. Additional information may be found at [www.citigroup.com](http://www.citigroup.com) or [www.citi.com](http://www.citi.com).

At 31 December 2008, the Company had approximately 134,400 full-time and 4,100 part-time employees in the United States and approximately 188,400 full-time employees outside the United States.

The principal executive offices of the companies are located at 399 Park Avenue, New York, New York 10022, 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 at [www.citifirst.com.au/about\\_us.html](http://www.citifirst.com.au/about_us.html).

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

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

17 July 2009

Dear Directors,

### Alpha ReCharge deferred purchase agreements 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 17 July 2009, in relation to the Alpha ReCharge (Volatility Target S&P/ASX 200 Price Index) investment product ("**Alpha ReCharge**").

#### 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 Alpha ReCharge, 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 Alpha ReCharge 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 Commonwealth Bank of Australia ("**CBA**")) 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 Alpha ReCharge. Such Investors should seek their own advice on this issue.

Doc 510025522.10

Greenwoods & Freehills Pty Limited ABN 60 003 146 852

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Liability limited by a scheme approved under Professional Standards Legislation

## Greenwoods & Freehills

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 Alpha ReCharge.

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 Alpha ReCharge.

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 Alpha ReCharge: general comments

Alpha ReCharge is structured as a deferred purchase agreement ("DPA"), under which 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.

In Taxation Determinations TD 2008/21 and TD 2008/22 (collectively, "ATO TDs"), the Commissioner of Taxation ("Commissioner") has expressed views on certain tax issues relevant to DPAs with specified features.

Alpha ReCharge have some differences to the features of the DPAs set out in the ATO TDs. However, in our opinion, the outcomes set out in the ATO TDs should generally also apply to Alpha ReCharge. Accordingly, set out below is our expectation as to how the Commissioner would treat the returns, and gains or losses, made by an Investor in Alpha ReCharge.

### 3 Tax treatment of coupon payments

In TD 2008/21, the Commissioner expresses the view that "coupon payments" on typical DPAs are assessable income. Therefore, Investors should include coupon payments received on their Alpha ReCharge in their ordinary assessable income, and not as capital gains.

### 4 Tax treatment of gains and losses arising from an investment in Alpha ReCharge

#### 4.1 Introduction

In TD 2008/21, the Commissioner has reached the view that any gain (other than a coupon payment) or loss on a typical DPA would generally be on capital account, and thus subject to the CGT rules in the Act. 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.

As explained further below, in TD 2008/22, the Commissioner has reached the view that two possible taxing points for CGT purposes will arise in a typical DPA.

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 Alpha ReCharge and the Delivery Assets as capital assets, any gains (other than coupon payments) or losses made by an Investor in relation to Alpha ReCharge and the Delivery Assets should generally be on capital account and subject to taxation under CGT rules.

## Greenwoods & Freehills

### 4.2 Application of the Commissioner's views on DPAs to Alpha ReCharge

#### *First possible 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 Alpha ReCharge on the Settlement Date, even if the Investor continues to hold their CBA 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.

The Final Value per Unit may differ from an Investor's Investment Amount. Accordingly, the Investor may make a capital gain or capital loss at the first taxing point, as discussed further below.

#### *Capital gain (first taxing point)*

An Investor's cost base of the CGT asset, for the purposes of the first taxing point, will be the Investment Amount paid by the Investor upon Application for their Alpha ReCharge (together with any otherwise non-deductible applicable brokerage costs and professional advisory fees).

The capital proceeds for the purposes of the first taxing point will be the market value of the Delivery Assets received by an Investor following maturity of Alpha ReCharge.

Accordingly, 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 Alpha ReCharge investment at that point.

#### *Capital gains discount concession – application at the first taxing point*

An Investor in Alpha ReCharge, 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 Alpha ReCharge, with the exception of those Investors who are permitted to make an Early Maturity within 12 months after making an investment in Alpha ReCharge, given that the 12 month period will be measured from the inception of the Investment (i.e. upon entry into Alpha ReCharge) and not from the Settlement Date.

#### *Capital loss (first taxing point)*

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 Alpha ReCharge) 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 generally be the Investment Amount paid by the Investor upon Application for their Alpha ReCharge (together with any otherwise non-deductible applicable brokerage costs and professional advisory fees).

#### *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 CBA shares.

## Greenwoods & Freehills

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 Alpha ReCharge. As a result, no question of "double tax" in relation to the overall gain from an investment in Alpha ReCharge should arise. That is, any gain on disposal of the Delivery Assets would only reflect any increase in value of the CBA shares from the Settlement Date to the date of disposal.

Under TD 2008/22, the Delivery Assets (i.e. CBA 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.

### 5 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. CBA 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.

### 6 Qualifying and traditional securities

The Act 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 Alpha ReCharge should not be regarded as comprising a

## Greenwoods & Freehills

"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 Alpha ReCharge investment should not be a "traditional security" for the purposes of these rules. The Commissioner's approach in TD 2008/21 supports this view.

### 7 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 Alpha ReCharge. 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.

### 8 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 Alpha ReCharge, unless relevant elections were to be made by an Investor, in which case they should seek their own advice relevant to their facts and circumstances.

### 9 GST

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

Yours sincerely,



**Tony Frost**  
Director  
Greenwoods & Freehills

+61 2 9225 5982  
+61 419 447 680  
tony.frost@gf.com.au

## 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 Alpha ReCharge 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 Alpha ReCharge.

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 Alpha ReCharge, the Delivery Assets, securities comprising the Reference Index 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 or the Reference Index 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, Alpha ReCharge, securities comprising the Reference Index or the Delivery Assets except that:

- the Issuer earns brokerage at normal commercial rates on transactions in relation to Alpha ReCharge 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 the shares comprising the Reference Index or the Delivery Asset, or advise or act for other clients in relation to the issuer of the securities comprising the Reference Index or the Delivery Asset, or publish research reports on the issuer of the securities comprising the Reference Index or 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 securities comprising the Reference Index or the Delivery Assets for trading purposes, including market making, or to hedge Alpha ReCharge. Related bodies corporate of the Issuer may deal in securities comprising the Reference Index, Delivery Assets, options and other derivative contracts in respect of them.

### Direct debit agreement

By signing the Application Form the Investor authorises and requests Citi, or its nominated administrator or custodian, to debit the Investor's nominated account until further notice from the Investor in writing, with any amount the Investor has requested in connection with Alpha ReCharge. Any such debit will be subject to the provisions of this agreement.

The Investor understands and acknowledges that:

- (a) The Investor's nominated financial institution may in its absolute discretion, decide the order of priority of payment by it of any monies pursuant to this request or any authority or mandate;
- (b) The financial institution may, in its absolute discretion, at any time by notice in writing to the Investor, terminate this request as to future debits;
- (c) Citi (or its nominated administrator) may, by providing at least 14 days prior notice in writing to the Investor, vary the timing of future debits or any terms within this direct debit service agreement;
- (d) The Investor can cancel a given direct debit service instruction at any time by giving Citi (or its nominated administrator) at least 14 days prior notice in writing;
- (e) Where the debit obligation does not fall on a Business Day, the Investor will be responsible for contacting the Investor's financial institution directly to determine the date the debit will be processed and to ensure that sufficient cleared funds are available;
- (f) It is the Investor's responsibility to ensure that there are sufficient cleared funds in the Investor's nominated account to honour any direct debit instruction;

- (g) This direct debit service agreement will be automatically cancelled if three direct debit payments are dishonoured because of insufficient funds within a 12-month period. Citi (or its nominated administrator) will give the Investor at least 14 days notice in writing if it intends to cancel the Investor's direct debit request. Citi (or its nominated administrator) will also charge the cost of any dishonoured direct debits against the Investor's account;
- (h) If at any time the Investor feels that a direct debit against your account is inappropriate or wrong, it is your responsibility to notify Citi (or its nominated administrator);
- (i) Citi (or its nominated administrator) may need to pass on details of the Investor's direct debit request to its sponsor bank to assist with the checking of any incorrect or wrongful debits to the Investor's nominated account. In all other circumstances, Citi will keep all information relating to the Investor private and confidential unless otherwise required by law.

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](mailto:privacy.officer@citi.com.au)

### 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 Alpha ReCharge and your licensed broker or financial adviser) during the course of managing Alpha ReCharge is required to process your Alpha ReCharge 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 Alpha ReCharge 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 Alpha ReCharge or may be required by law to take particular actions such as deducting taxation at the top marginal rate, plus the Medicare Levy.

# Section 9 – Terms and conditions

## Alpha ReCharge

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 Alpha ReCharge. 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 Closes; and
- (b) by ensuring that an amount equal to the Investment Amount is received by the Issuer in cleared funds by the Offer Closes.

### 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 Closes (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 AUD 0.22175 of Investment Amount paid the Applicant will be entitled to one Unit.
- (d) Within 14 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 Closes.

- (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 Price 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 Price 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 Delivery Asset (including the Portion) would otherwise be transferable by the Issuer on the Settlement Date, the Issuer may keep that fraction of the Delivery Asset and 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 Delivery Asset forgone based on the Official Closing Price on the Trading Day immediately following the Maturity Date, provided that such amount exceeds twenty Australian Dollars (AUD 20). If the amount does not exceed AUD 20, the Issuer is entitled to keep that amount is under no obligation to the Investor to make any payment for the fraction of the Delivery Asset. Upon performance of its obligations under this clause, the Issuer is discharged of its obligation to deliver the fraction of the Delivery Asset.

## 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 a Relevant Exchange on which the Delivery Assets or Reference Index is traded for a period of 24 hours or more;
- (d) where there is a suspension or material limitation of trading in the Delivery Assets or the Reference Index traded on a Relevant Exchange 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 by giving written notice to the Issuer before the last Business Day of each week. An Early Maturity can only be requested in respect of the full amount of the Investor's Investment. 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) (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:

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

## 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

The Issuer does not guarantee to deliver to the Investor a Delivery Parcel either based on the Final Value per Unit or equal to the Issue Price.

## 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 the same Relevant Exchange; and/or
- (b) substitute the Reference Index with any other index of securities quoted and trading on the same Relevant Exchange; and/or

- (c) 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
- (d) 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 or Reference Index"; and/or
- (e) 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 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 Alpha ReCharge, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) (a "**Hedging Disruption**"); or
- (b) on any day 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 Alpha ReCharge, 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 Alpha ReCharge and, if so, the Issuer may make such adjustments (as described in clause 5.1 above) to any of the Terms of Alpha ReCharge 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 Alpha ReCharge an Investor holds, the Investor receives an equitable interest in the Portion on the Issue Date. The Investor holds the equitable interest in the Portion until the earlier of Maturity or transfer of each Alpha ReCharge in accordance with clause 14.9.

An Investor may only deal with the equitable interest in the Portion 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 the Maturity Date 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 equitable interest in the Portion for each Alpha ReCharge forms part of that Alpha ReCharge and may not be severed from the balance of the rights in connection with that Alpha ReCharge or dealt with separately in any way.

When an Investor deals with an Alpha ReCharge 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 equitable interest in the Portion. When an Investor deals with an equitable interest in the Portion 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 Alpha ReCharge. For example, when an Investor (the “old holder”) transfers an Alpha ReCharge to another person (the “new holder”):

- (a) all the rights and obligations that attach to Alpha ReCharge, including the equitable interest in the Portion, are transferred from the old holder to the new holder;
- (b) the old holder’s interest in Alpha ReCharge will be removed from the Register and the new holder will be added to the Register; and

the old holder ceases to have any rights in relation to Alpha ReCharge or the equitable interest in the Portion.

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

At the Maturity Date, 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.

However, if there is no Delivery Parcel deliverable in accordance with the Terms, the Issuer is entitled to a fee for the costs incurred in relation to the administration of the Portion (“Administration Fee”) on the Maturity Date and is entitled to keep the Portion in satisfaction of that fee.

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 equitable interest in the Portion. 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 by:
  - (i) the Investor in relation to or in connection with these Terms; or
  - (ii) 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 (including GST) and other charges if any, payable by:
  - (i) the Investor in relation to or in connection with these Terms; or
  - (ii) 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 Alpha ReCharge 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 Alpha ReCharge or the Investor and the Investor is not a resident or national of any jurisdiction where the Application for or the Maturity of Alpha ReCharge 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. All calculations will be performed in currency specified as the "Denomination" in the Term Sheet.

### 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 director, secretary or authorised officer of 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 Alpha ReCharge in a manner that does not involve the transfer of legal ownership of Alpha ReCharge, the Issuer has no duty to record the dealing on the Register. Each equitable interest in the Portion corresponding to a particular Alpha ReCharge will pass to a new investor upon registration of a transfer of Alpha ReCharge in the Register. The Issuer and the registrar are entitled to rely on the Register as the definitive record of ownership of Alpha ReCharge.

#### 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 Postal 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

- (a) The words defined in the Term Sheet have a meaning ascribed to it in the Term Sheet.
- (b) 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 each security included in the Reference Index and 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) where the Relevant Asset is an index:
- (i) the Relevant Asset is suspended or ceases to be published for a period of 24 hours or more;
- (ii) the Relevant Asset is not calculated and announced by the Reference Index Provider, but is calculated and announced by a successor to the Reference Index Provider;
- (iii) the Relevant Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation;
- (iv) the Relevant Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation;
- (v) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange for a period of 24 hours or more;
- (c) 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) or (b) above occurring;
- (d) 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
- (e) any circumstances arise which are described in the PDS as potentially giving rise to an Adjustment Event; or
- (f) 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;

**“Approved Adviser”** means such broker(s) or advisers approved by Citi and whose identity can be confirmed by contacting Citi or Alpha;

**“APRA”** means Australian Prudential Regulation Authority;

**“Arranger”** has the meaning given to that in the Term Sheet;

**"ASIC"** means Australian Securities and Investment Commission;

**"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;

**"Average Level"** has the meaning given to that term in the Term Sheet;

**"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 Alpha ReCharge;
- (b) the termination or reversal of any arrangements or hedge position entered into by the Issuer in connection with any Alpha ReCharge which is terminated early; or
- (c) any loss of profits that the Issuer may suffer by reason of the early termination of Alpha ReCharge;

**"Business Day"** means a day on which banks are open for business in Sydney, but does not include a Saturday, Sunday or public holiday;

**"Change"** has the meaning attributed to it in clause 13 of these 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 Arrangement, if applicable;

**"Coupon Observation Dates"** has the meaning given to that in the Term Sheet;

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

**"Coupon Payment per Unit"** has the meaning given to that in the Term Sheet;

**"Coupon Payment Rate"** has the meaning given to that in the Term Sheet;

**"Denomination"** has the meaning given to that in the Term

Sheet;

**"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:

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

**"Dynamic Portfolio"** has the meaning given to that in the Term Sheet;

**"Dynamic Portfolio Return"** has the meaning given to that in the Term Sheet;

**"Dynamic Portfolio Value"** has the meaning given to that in the Term Sheet;

**"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 a Unit 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 a Unit 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;

**"Fees"** has the meaning given to that in the Term Sheet;

**"Final Value per Unit"** has the meaning given to that in the Term Sheet;

**"Guarantor"** has the meaning given to that in the Term Sheet;

**"Guarantor"** has the meaning given to that in the Term Sheet;

**"GST"** means goods and services tax has the same meaning as in the A New Tax System (Goods & Services Tax) Act 1999 as amended from time to time, or in any subsequent act dealing with a tax of a similar nature;

**"Hedging Disruption"** has the meaning given in clause 5.2(a) of these Terms;

**"Hedging Event"** has the meaning given in clause 5.2 of these Terms;

**"HIN"** means Holder Identification Number;

**"Historical Volatility"** has the meaning given to that in the Term Sheet;

**"Increased Cost of Hedging"** has the meaning given in clause 5.2(b) of these Terms;

**"Index Allocation"** has the meaning given to that in the Term Sheet;

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

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

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

**"Issue Date"** has the meaning given to that in the Term Sheet;

**"Issue Price"** has the meaning given to that 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 of these Terms, 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 clauses 3.1 or 4.4(a) of these Terms as the case may be;

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

**"No Capital Protection"** has the meaning given to that in the Term Sheet;

**"Notional Exposure Amount"** has the meaning given to that in the Term Sheet;

**"Notional Exposure per Unit"** has the meaning given to that in the Term Sheet;

**"Offer Closes"** has the meaning given to that in the Term Sheet;

**"Official Closing Price"** means:

- (a) for the purpose of determining the Official Closing Price 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 security on a specified day, the last traded price of the security as reported and disseminated by ASX at or around 4:10 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 security at that time, in which case the Issuer may either:
  - (i) nominate another time to determine the Official Closing Price; or
  - (ii) determine the Official Closing Price to be the price determined by the Issuer as its best estimate of the security value at or around 4:10 pm Sydney time on the specified day;
- (c) in respect of an exchange traded financial product on a specified day, the last traded price of the financial product as reported and disseminated by the Relevant Exchange at the close of trading of that Relevant Exchange (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 financial product at that time, in which case the Issuer may either:
  - (i) nominate another time to determine the Official Closing Price; or
  - (ii) determine the Official Closing Price to be price determined by the Issuer as its best estimate of the financial product at the close of trading of the Relevant Exchange on the specified day;
- (d) in respect of an index on a specified day, the official closing of the index, at the close of trading of the Relevant Exchange, as reported by the price source.

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

**"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 Alpha ReCharge;

**"Reference Index"** has the meaning given to that in the Term Sheet;

**"Reference Index Provider"** means the entity who is responsible for the calculation and dissemination of the Reference Index;

**"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 Units to be maintained by a registrar chosen by the Issuer;

**"Relevant Exchange"** means in the case of:

- (a) any security, the primary exchange upon which that security is traded;
- (b) any exchange traded financial product, the primary exchange upon which that financial product is traded; and
- (c) an index, the primary exchange upon which the financial products which primarily constitute that index are traded,

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 Price on the Trading Day immediately following the Maturity Date less any Costs and Taxes applicable to the sale of the Delivery Parcel (subject to clause 3.4 of these Terms);

**"Settlement Account"** means the transactional banking account held with an authorised deposit-taking institution 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 financial products, as formally announced by the Relevant Exchange and does not include a trading halt;

**"Tax"** or **"Taxes"** means any income tax (including tax on capital gains) goods and services tax, withholding tax, stamp duties, registration and any other duties, 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"** has the meaning given to that 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 Unit x number of Units held by the Investor;

**"Trading Day"** has the meaning given in the ASX Business Rules;

**"Unit"** means a unit of an Investment entered into by Citi and the Investor. Citi will notify the Investor of the aggregate amount of Units held in the notice supplied by Citi in accordance with clause 1.3(c) of these Terms;

**"Volatility Formula"** means 
$$Vol_t = \sqrt{\frac{365}{60} \times \sum_{i=1}^{60} \left[ \ln \left( \frac{Index_i}{Index_{i-1}} \right) \right]^2}$$
;

**"Volatility Period"** has the meaning given to that in the Term Sheet;

**"Volatility Target"** has the meaning given to that in the Term Sheet; 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; and
  - (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 Alpha ReCharge

The Minimum Investment Amount for Alpha ReCharge is 100,000 Units (equivalent to AUD 22,175) with additional investments in multiples of 1,000 Units (equivalent to AUD 221.75) thereafter. If you wish to make an investment in Alpha ReCharge you will need to complete an Application Form in accordance with the instructions on the following page. If your preferred method of payment is by cheque, attach a cheque (in Australian Dollars) made payable to the **“MLI TRUST A/C”** and crossed **“Not Negotiable”**. Alternatively you may pay by direct debit by providing details of your nominated account. Applications, including cleared funds, must be received by the Issuer no later than the **Offer Closes** at 5:00 pm Sydney time on **31 July 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 14 Business Days of accepting your offer, you will be sent an acknowledgement of acceptance which will set out the number of Units acquired and other information confirming your investment in Alpha ReCharge.

## 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 Alpha ReCharge (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 Alpha ReCharge?

Application for Alpha ReCharge is open to:

- Australian residents;
- Non-residents of Australia;
- Companies registered in Australia; or

- Trust entities,

other than US persons who may not apply for Alpha ReCharge. 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; or
- US citizen or Green card holders residing outside the US.

This PDS is not an offer or invitation in relation to Alpha ReCharge 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

Alpha ReCharge 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 Alpha ReCharge 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 Alpha ReCharge as a company or a corporate trustee:
- full legal name of company
  - 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 Alpha ReCharge 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. Certified copy means a document that has been certified as a true copy of an original document by one of the persons given in the list 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 person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described);
- (2) a judge of a court;
- (3) a magistrate;
- (4) a chief executive officer of a Commonwealth court;
- (5) a registrar or deputy registrar of a court;
- (6) a Justice of the Peace;
- (7) a notary public (for the purposes of the Statutory Declaration
- (8) a police officer;
- (9) an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
- (10) a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public;
- (11) an Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955);
- (12) an officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993);
- (13) a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declaration Regulations 1993);
- (14) an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more continuous years of service with one or more licensees.
- (15) a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

### Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Alpha ReCharge. 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
<b>Individual:</b> Use given name(s) in full, not initials	Mr John Alfred Smith	J.A. Smith
<b>Joint Holdings:</b> Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Susan Jane Smith	John Alfred & Susan Jane Smith
<b>Company:</b> Use company title, not abbreviations	ABC Pty Limited	ABC P/L or ABC Co
<b>Trust:</b> 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
<b>Partnerships:</b> 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
<b>Superannuation Fund:</b> 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 spaces provided. You should return your signed and completed Application Form either to us, your stockbroker or financial planner. Applications close at the Offer Closes.

- 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 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 Australian Dollars) 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 Closes the Application will be rejected. If direct debit is your preferred method of payment, you must include details of your nominated account under "Payment Option 1 - Direct Debit". Alternatively, if payment by cheque is your preferred method of payment, you must attach a cheque to your Application Form made payable to "MLI Trust A/C" and crossed "Not Negotiable" for an amount equal to the Investment Amount. Please tick the box under "Payment Option 2 - Cheque" to acknowledge you have attached a cheque.
- 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 Alpha ReCharge (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 Alpha ReCharge 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 31 July 2009. Return the Application Form with cheque(s) (if your preferred method of payment is by cheque) attached to:

Structured Products Support  
Alpha ReCharge Offer  
Citigroup Global Markets Australia Pty Limited  
GPO Box 557  
Sydney NSW 2001

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# Directory

## **Issuer**

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

## **Legal Adviser**

Freehills  
MLC Centre  
Martin Place  
Sydney NSW 2000

## **Broker**

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

## **Arranger**

Alpha Structured Investments Pty Limited  
Level 4  
25 Lime Street  
Sydney NSW 2000

## **Registrar**

Computershare Investor Services Pty  
Limited  
60 Carrington Street  
Sydney NSW 2000

## **Taxation Adviser**

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

## Alpha ReCharge

'Helping you achieve your goals sooner'

For more details please contact:

Alpha Structured Investments Pty Ltd

ABN: 37 112 062 594

AFSL: 290054

Toll free: 1300 769 694

[www.alpha-invest.com.au](http://www.alpha-invest.com.au)



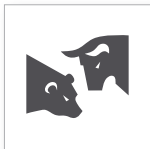
**CitiFirst Protection**  
Full capital protection



**CitiFirst Performance**  
Some capital protection



**CitiFirst Opportunity**  
No capital protection



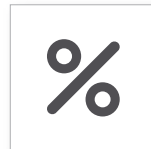
Equities



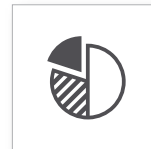
Commodities



Currencies



Interest Rates



Alternative  
Investments