



WARRANTS | NOTES | DEFERRED PURCHASE AGREEMENTS

Market Linked Investment

Product Disclosure Statement – 27 April 2010

MLI Autocall

Deferred Purchase Agreement

- AUD MLI 2010 – 05

- USD MLI 2010 – 05

Important information about the Market Linked Investment

Product Disclosure Statement: This product disclosure statement ("PDS") is dated 27 April 2010 and has been prepared by the Issuer. This PDS has not been lodged with the Australian Securities and Investments Commission ("ASIC") and is not required by the Corporations Act to be lodged with ASIC. ASIC takes no responsibility for the contents of this PDS.

Purpose: The Market Linked Investment ("MLI") is issued by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) Australian Financial Services Licence ("AFSL") number 240992 ("Citi", "Issuer", "we" or "us"), a participant of ASX Group. The MLI is an agreement between the Investor and the Issuer governed by the terms set out in the terms and conditions ("Terms") which are contained in Section 10 of this PDS. It is important that Investors and potential Investors read the Terms in full as these set out the Investor's rights and obligations in relation to the MLI.

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

Disclaimer: The MLI and any securities recommended, offered, or sold by the Issuer: (i) are not insured or guaranteed by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations or liabilities of any insured depository institution (including Citibank, N.A.); and (iii) are subject to investment risks, including the possible loss of income and the principal amount invested in the event of Early Maturity or if a Knock-In Event occurs and no Autocall Event occurs, and possible delays in payment. The MLI does not represent a deposit or other liability of Citigroup Pty Limited or Citibank, N.A. (Sydney Branch) and these entities do not stand in any way behind the capital value and/or performance of the MLI, or assets held by the Issuer, except as specified in the PDS, nor are these entities issuers of the MLI. The Issuer is not subject to regulatory supervision by APRA.

Variation of times and dates: The Issuer reserves the right to vary the dates and times associated with the offer. This means that the Issuer has the discretion to extend or reduce the length of the offer period by changing any of the relevant dates in the Issuer's absolute discretion. The Issuer may exercise its rights where, for example, the demand for the MLI has been very high and a significant number of customers have requested that the period be extended. However, in exercising its discretion, the Issuer would act reasonably and would not leave the offer period open for an extensive period having regard to standard market practice. The Issuer may also vary the Maturity Date if an Early Maturity Event occurs or if an Investor requests Early Maturity and that request is accepted by the Issuer. The term "Early Maturity Event" is defined in clause 4.1 of Section 10 of this PDS. The risks associated with Early Maturity are more fully discussed in Section 4 of this PDS.

Investment decisions: It is impossible in a document of this type to take into account the investment objectives, financial situation and particular needs of each reader. Accordingly, nothing in this PDS should be construed as a recommendation by the Issuer, or any associate of the Issuer or any other person concerning an investment in the MLI, the Delivery Assets or any other financial product. Readers should not rely on this PDS as the sole or principal basis of a decision to invest in the MLI, Delivery Assets or any other financial product and should seek independent financial, legal and taxation advice before making a decision whether to invest. No person is authorised by the Issuer to give any information or to make any representation not contained in this PDS. Any information or representation not contained in this

PDS must not be relied upon as having been authorised by, or on behalf of, the Issuer. Nothing in this PDS is, or may be relied upon as, a representation as to the future performance of the MLI, the Reference Assets or the Delivery Assets.

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

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

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

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

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

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

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Part 1 – What is the MLI?

Key Dates

Event	Date
Offer Opening Date:	27 April 2010 at 9:00 am (Sydney time)
Offer Closing Date:	25 May 2010 at 5:00 pm (Sydney time)
Issue Date:	31 May 2010
Autocall Event Observation Dates:	The date three months after the Issue Date and, thereafter, monthly throughout the Term (including the Maturity Date).
Conditional Coupon Payment Date:	5 Business Days after the Autocall Event Observation Date on which an Autocall Event occurs.
Maturity Date:	31 May 2011 (only if an Autocall Event does not occur prior to the Maturity Date).

The key dates are indicative only and may be changed by the Issuer. All times are Sydney time, unless otherwise stated.

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

Term Sheet

Issuer:	Citigroup Global Markets Australia Pty Limited
Guarantor:	Citigroup Inc.
Reference Assets:	A share in the following Australian companies is a "Reference Asset" and together they are the "Reference Assets": <ul style="list-style-type: none"> ■ BHP Billiton Limited; and ■ Westpac Banking Corporation.
Offer Opening Date:	27 April 2010 at 9:00 am (Sydney time)
Offer Closing Date:	25 May 2010 at 5:00 pm (Sydney time)
Issue Date:	31 May 2010
Maturity Date:	31 May 2011 If an Autocall Event occurs on any Autocall Event Observation Date, the Maturity Date will be deemed to be the Autocall Event Observation Date on which that Autocall Event occurs.
Term:	12 months
Denomination:	AUD Series: Australian dollars (AUD) USD Series: United States dollars (USD)
Investment:	The MLI, which is an agreement between the Investor and the Issuer governed by the Terms.
Issue Price:	AUD Series: AUD 1.00 per Unit USD Series: USD 1.00 per Unit
Minimum Investment Amount:	AUD Series: AUD 10,000 and multiples of AUD 1,000 thereafter. USD Series: USD 10,000 and multiples of USD 1,000 thereafter.
Investment Amount:	The total amount paid in respect of an Investment by the Investor to the Issuer by the Offer Closing Date.
Initial Price:	In respect of each Reference Asset, the 'Initial Price' is the Official Closing Price of the Reference Asset on the Issue Date.
Reference Price:	In respect of each Reference Asset, the 'Reference Price' is the Official Closing Price of the Reference Asset as at the date on which it is observed.
Reference Asset Return:	In respect of each Reference Asset: $Reference\ Asset\ Return\ (\%) = (Reference\ Price - Initial\ Price) / Initial\ Price$
Worst Performing Reference Asset:	The Worst Performing Reference Asset is the Reference Asset with the lowest Reference Asset Return, as determined by the Issuer. The Worst Performing Reference Asset as at the Maturity Date is not necessarily the Reference Asset (if any) that has triggered a Knock-In Event.
Autocall Event:	An Autocall Event will occur if the Reference Asset Return of each Reference Asset on an Autocall Event Observation Date is greater than or equal to 0%. If an Autocall Event occurs on any Autocall Event Observation Date, the Maturity Date will be deemed to be the Autocall Event Observation Date on which the Autocall Event occurs and the Final Value per Unit will be as specified below.
Autocall Event Observation Dates:	The Autocall Event Observation dates are the date three months after the Issue Date and, thereafter, monthly throughout the Term (including the Maturity Date).
Conditional Coupon Payment Date:	5 Business Days after the Autocall Event Observation Date on which an Autocall Event occurs.

Conditional Coupon Rate:	<p>The 'Conditional Coupon Rate' is a simple (non-compounding) fixed rate of return per annum payable if an Autocall Event occurs.</p> <p>The Conditional Coupon Rate is to be determined by the Issuer on the Issue Date and notified to the Investor after the Issue Date.</p> <p>The Conditional Coupon Rate determined by the Issuer will be between 17.50% p.a. and 25.50% p.a. for the AUD Series and between 10.50% p.a. and 18.50% p.a. for the USD Series.</p> <p>As an indication, if the Units had been issued on 20 April 2010, the Conditional Coupon Rate for the AUD Series would have been 21.50% p.a. and the Conditional Coupon Rate for the USD Series would have been 14.50% p.a..</p> <p>Please refer to the section "What factors affect how the Conditional Coupon Rate is determined?" on page 16 for further details.</p>
Conditional Coupon Amount:	<p>The Conditional Coupon Amount is an amount determined in accordance with the formula set out below:</p> $m/M \times \text{Conditional Coupon Rate} \times \text{Issue Price} \times \text{number of Units held}$ <p>where:</p> <p>m = the number of months between the Issue Date and the date on which an Autocall Event occurs.</p> <p>M = the number of months in the Term.</p> <p>The Conditional Coupon Amount will be paid on the Conditional Coupon Payment Date.</p>
Knock-In Event:	<p>A Knock-In Event occurs if any Reference Asset has a Reference Asset Return equal to, or less than, -30% of the Initial Price on any day on, or prior to, the Maturity Date.</p>
Knock-In Level:	<p>The Knock-In Level is where the Reference Asset Return of the Worst Performing Reference Asset is less than, or equal to, -30% of the Initial Price.</p> <p>Numerically, the Knock-In Level is:</p> $\text{Reference Asset Return of the Worst Performing Reference Asset} \leq -30\%$
Final Value per Unit ² :	<p>The Final Value per Unit will be determined in the following manner:</p> <p><u>Autocall Event occurs</u></p> <p>If an Autocall Event occurs, then the Final Value per Unit will be equal to:</p> $\text{Issue Price} \times 100\%$ <p>This will be the case even if a Knock-In Event occurs during the investment period prior to the occurrence of the Autocall Event.</p> <p><u>Neither Knock-In Event nor Autocall Event occur</u></p> <p>If neither a Knock-In Event nor an Autocall Event occurs on, or prior to, the Maturity Date, then the Final Value per Unit will be equal to:</p> $\text{Issue Price} \times 100\%$ <p><u>Knock-In Event does occur but Autocall Event does not occur</u></p> <p>If a Knock-In Event occurs on, or prior to, the Maturity Date but <i>no</i> Autocall Event occurs, then the Final Value per Unit will be equal to:</p> $\text{Issue Price} \times [100\% + \text{Min}(\text{Reference Asset Return of the Worst Performing Reference Asset on the Maturity Date}, 0\%)]$ <p>This means that the Final Value per Unit cannot be greater than the Issue Price.</p>

Conditional Protection [‡] :	<p>Conditional Protection means that the Issuer will deliver to an Investor the Delivery Assets with a value equal to the number of Units held by the Investor multiplied by the Issue Price if the requirements below for Conditional Protection apply.</p> <p>The value of each Unit will not be principal protected but is conditionally protected if:</p> <ul style="list-style-type: none"> ■ a Knock-In Event does not occur; or ■ both a Knock-In Event and Autocall Event occur. <p>Conditional Protection does not apply where a Knock-In Event occurs and an Autocall Event does not occur. Investors should consider the Conditional Protection risk and credit risk as described in Section 4 of this PDS.</p>
Delivery Asset:	Ordinary shares in Westpac Banking Corporation (“WBC”) (an ASX quoted share, ASX code: WBC).
Fees:	<p>Distributor Fee – an upfront fee payable by the Issuer of up to 2.50% (including GST if applicable) of the Investment Amount.</p> <p>This fee is payable by the Issuer out of its own funds and is not an additional cost to the Applicant, nor is it deducted from the Investment Amount.</p>

[‡] Potential returns in the MLI are linked to the Reference Asset Return of the Worst Performing Reference Asset. Hence, Investors should be aware that their exposure is not based on the average performance of the Reference Assets and, therefore, the negative performance of one Reference Asset may not be offset by the positive performance of other Reference Assets.

[†] Conditional Protection only applies to Investments held at Maturity provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.

Section 1 - Introducing the MLI

What is the MLI?

The Market Linked Investment (“MLI”) is linked to the performance of shares in the following two Australian companies listed on the ASX which operate in the banking and resource sectors: BHP Billiton Limited and Westpac Banking Corporation.

Reference Asset	Currency	ASX Code
BHP Billiton Limited	AUD	BHP
Westpac Banking Corporation	AUD	WBC

The MLI offers an income payment of a Conditional Coupon Amount if an Autocall Event occurs on an Autocall Event Observation Date on, or prior to, the Maturity Date. The Conditional Coupon Rate used to calculate the Conditional Coupon Amount is to be determined by the Issuer on the Issue Date and notified to the Investor after the Issue Date.

Payment of the Conditional Coupon Amount is only applicable if an Autocall Event occurs. Accordingly, you should be aware that you will not be entitled to receive payment of a Conditional Coupon Amount if an Autocall Event does not occur.

The MLI also offers Conditional Protection for Investments held to Maturity provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.

Potential returns in the MLI are linked to the Reference Asset Return of the Worst Performing Reference Asset. Hence, Investors should be aware that their exposure is not based on the average performance of the Reference Assets and, therefore, the negative performance of one Reference Asset will not be offset by the positive performance of the other Reference Asset.

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

How is the MLI structured?

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

- elects to accept physical delivery of the Delivery Assets on the Settlement Date; or
- elects 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?” on page 17.

What are the Delivery Assets?

On the Settlement Date, the Issuer will be required to deliver to the Investor ordinary shares in WBC (the “Delivery Asset”). The value of these shares will be equal to the Final Value per Unit at Maturity (as explained below) multiplied by the number of Units held by an Investor.

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 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 twenty Australian dollars (AUD 20). If the amount does not exceed twenty Australian dollars (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 income does the MLI generate?

If an Autocall Event occurs on any Autocall Event Observation Date, the Issuer will pay the Investor a 'Conditional Coupon Amount' that is determined in accordance with the formula set out below:

$$m/M \times \text{Conditional Coupon Rate} \times \text{Issue Price} \times \text{number of Units held}$$

where:

m = the number of months between the Issue Date and the date on which an Autocall Event occurs.

M = the number of months in the Term.

If an Autocall Event does not occur on any Autocall Event Observation Date, no Conditional Coupon Amount is payable.

The Conditional Coupon Amount is an amount calculated by reference to a 'Conditional Coupon Rate' which is a simple (non-compounding) fixed rate of return per annum. Please refer to the section "What factors affect how the Conditional Coupon Rate is determined?" on page 16 for further details.

The Conditional Coupon Rate is to be determined by the Issuer on the Issue Date and will be communicated to all Investors in a confirmation of investment letter.

The Conditional Coupon Rate, as determined by the Issuer, will be between 17.50%p.a. and 25.50%p.a. for the AUD Series and between 10.50% p.a. and 18.50%p.a. for the USD Series.

As an indication, if the Units had been issued on 20 April 2010, the Conditional Coupon Rate for the AUD Series would have been 21.50% p.a. and the Conditional Coupon Rate for the USD Series would have been 14.50%.

The Conditional Coupon Amount will be paid on the Conditional Coupon Payment Date.

What are the investment objectives of the MLI?

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

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

Investor Seeks:	Investor Can Accept:
Investor seeks an investment with a moderate to bullish view linked to the Reference Assets (being both BHP and WBC).	The possibility of having exposure to the Worst Performing Reference Asset (being BHP or WBC) if a Knock-In Event occurs and an Autocall Event does not occur.
Potential income in the form of a Conditional Coupon Amount paid at Maturity if an Autocall Event occurs.	The possibility of receiving the Investment Amount if the Reference Price of each Reference Asset is greater than or equal to 100% of its Initial Price on an Autocall Event Observation Date.
A short-term investment.	The possibility that an Autocall Event will not occur and the Investor will not receive a Conditional Coupon Amount.
No entry, exit, management or brokerage fees payable on Investments held until Maturity.	An investment period of 12 months.
	No dividend payments or other distributions paid in respect of the Reference Assets during the Term other than the potential Conditional Coupon Amount.
	The possibility that the Investor could lose up to 100% of the Investment Amount.
	The value of each Unit will not be principal protected in all cases but is conditionally protected if: <ul style="list-style-type: none"> ■ a Knock-In Event does not occur; or ■ both a Knock-In Event and Autocall Event do not occur.⁺
	The risks associated with investing in equities and equity-linked investments.
	The risks associated with investing in short-term financial products.
	The possibility that returns could be less than the return you could earn on other investments, including the actual return on the Reference Assets.

* Conditional Protection only applies to Investments held at Maturity provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.

How is the Final Value per Unit determined at Maturity?

At Maturity, the Final Value per Unit that Investors will receive is the amount calculated as follows:

Autocall Event occurs

If an Autocall Event occurs, the Final Value per Unit will be equal to:

$$\text{Issue Price} \times 100\%$$

This will be the case even if a Knock-In Event occurs during the investment period prior to the Autocall Event.

Neither Knock-In Event nor Autocall Event occur

If neither a Knock-In Event nor an Autocall Event occurs on, or prior to, the Maturity Date, the Final Value per Unit at Maturity will be equal to:

$$\text{Issue Price} \times 100\%$$

Knock-In Event does occur but Autocall Event does not occur

If a Knock-In Event occurs on, or prior to, the Maturity Date but no Autocall Event occurs, then the Final Value per Unit at Maturity will be equal to:

$$\text{Issue Price} \times [100\% + \text{Min}(\text{Reference Asset Return of Worst Performing Reference Asset on the Maturity Date}, 0\%)]$$

On the Settlement Date, the Issuer will be required to deliver to the Investor ordinary shares in WBC (the "Delivery Asset"). The value of these shares will be equal to the Final Value per Unit on the Maturity Date (as explained above) multiplied by the number of Units held by an Investor. The Issuer will only deliver a whole number of Delivery Assets (which will include the Portion).

If a Knock-In Event occurs, the Investor will be exposed to the performance of the Worst Performing Reference Asset. Hence, if a Knock-In Event occurs at any time on, or prior to, the Maturity Date, the Investor will have 100% exposure to any negative Reference Asset Return of the Worst Performing Asset at Maturity.

What fees are payable in relation to the MLI?

There are no direct fees or commissions payable by the Investor. The Issuer may pay to distributors (including Citigroup Pty Limited) an upfront Distributor Fee of up to 2.50% (including GST if applicable) of the Investment Amount. This fee will be paid by the Issuer out of its own funds and are not an additional cost to the Investor, nor are they deducted from the Investment Amount. For information on what fees and commissions are payable in connection with an investment in the MLI, please refer to Section 6 of this PDS.

References in this PDS to BHP are included solely for the purpose of identification of the shares that comprise the Reference Assets. These references are not an express or implied endorsement by BHP, or any of its related entities, of the MLI. No member of the BHP 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. For more information on BHP, please visit the company's website: www.bhpbilliton.com.au.

Westpac Banking Corporation

Westpac Banking Corporation ("WBC") operates a significant banking franchise in Australia and New Zealand with balanced exposures to retail, corporate and institutional sectors. Expansion through aggressive acquisitions in the wealth management area has built upon the pre-existing banking activities transforming WBC into a diversified financial services house.

For more information on the company, including information about its historical share price performance, pricing and company information, please visit the company's website: www.westpac.com.au.

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

Citi makes no recommendation, representation or assurance about the performance or prospects of WBC.



Source: Citi.

Past performance is not a reliable indicator of future performance.

References in this PDS to WBC are included solely for the purpose of identification of the shares that comprise the Reference Assets and the Delivery Asset. These references are not an express or implied endorsement by WBC, or any of its related entities, of the MLI. No member of the WBC 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. For more information on WBC, please visit the company's website: www.westpac.com.au.

Information about the Delivery Assets

The Delivery Assets are ordinary shares in WBC. Further information about this company is available in the section above.

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 those ordinary shares as traded on the ASX.

Changes to the Delivery Assets or Reference Assets

If an Adjustment Event occurs, the Issuer may:

- substitute the Delivery Asset with any other security or managed investment product quoted and trading on a relevant Exchange operated by ASX, where that security or managed investment product is in a class of financial products that is a constituent of the S&P/ASX 200 Price Index; and/or
- substitute a Reference Asset with another security quoted and traded on the Relevant Exchange at the discretion of the Issuer.

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 Early Maturity. Investors should read clause 5 of the Terms to fully understand their rights and obligations if an Adjustment Event occurs.

Part 2 – General Information on the MLI

Section 3 – How does the MLI work?

What are the significant benefits of investing in the MLI?

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

- **Conditional Coupon Amount payment** – the MLI returns a potential Conditional Coupon Amount if an Autocall Event occurs on, or prior to, the Maturity Date;
- **Short Term** – a short-term market-linked investment; and
- **Conditional Protection** – Conditional Protection of the Investment Amount if an Autocall Event occurs, regardless of whether a Knock-In Event has already occurred. Conditional Protection also applies to Investments held at Maturity provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.

What are the significant risks of investing in the MLI?

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

- **Early Maturity** – In certain circumstances the MLI may be terminated before Maturity and, where Early Maturity applies, the value of the MLI may be less than the Investment Amount and Break Costs may apply.
- **Tax and change of law** – Changes to laws or their interpretation in Australia, including taxation and corporate regulatory laws, could have a negative impact on the return for Investors.
- **Knock-In Event** – Possible exposure to the Reference Asset Return of the Worst Performing Reference Asset, loss of payment of a Conditional Coupon Amount and loss of Conditional Protection if a Knock-In Event occurs and no Autocall Event occurs.
- **No Conditional Coupon Amount** – There is no guarantee that an Autocall Event will occur. If an Autocall Event does not occur, the Conditional Coupon Amount will not be payable and Investors will not receive a positive return on their Investment.

- **Reference Asset Return** – There is no guarantee that the Reference Asset Return of each Reference Asset will, at any point in time, be positive or that the Reference Asset Return of each Reference Asset will be higher than the Knock-In Level so as to not give rise to a Knock-In Event.
- **Conditional Protection** – Possible loss of Conditional Protection if Early Maturity occurs, or a Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs.
- **Market risks** – There is no guarantee that the return of the MLI will exceed the return generated by other investments.
- **Credit risk** – The Investor is exposed to the credit risk of the Issuer and the Guarantor. Conditional Protection is subject to the credit worthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.
- **Reinvestment risk** – If an Autocall Event occurs, the Conditional Coupon Amount is calculated by reference to the number of months that have passed since the Issue Date. There is no guarantee that Investors will be able to reinvest the Conditional Coupon Amount at the same rate of return for the remainder of the Term.

Is the MLI transferable?

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

What are the currency risks in relation to the MLI?

For both the AUD and USD Series, direct currency risk is minimised since all payments associated with the relevant series of the MLI are denominated in the same currency. Investors in the USD Series may incur currency risk. For more details on currency risk, please refer to Section 4 of this PDS.

What are the potential tax implications of investing in the MLI?

Investors who are Australian tax residents should include Conditional Coupon Amounts in their ordinary assessable income when received.

The Issuer will withhold interest withholding tax at 10% from Conditional Coupon Amounts paid to investors whose

Postal Address or Settlement Account, as provided on the Application Form, is outside Australia.

Investors who hold the MLI on capital account for tax purposes may, in certain circumstances, make a capital gain or loss on the Settlement Date, even if they hold their Delivery Assets following the Settlement Date. If so:

- a capital gain arising to Investors that are natural persons, trusts, or complying superannuation funds should be eligible for the discount capital gains concession; and
- a capital loss is not deductible against assessable income but can be used to offset other current year capital gains or can generally be carried forward to future income years.

It is important that potential Investors carefully review the comments in Section 8, which set out the general tax implications of investing in the MLI. Investors should be aware that Section 8 of this PDS is provided in general terms only and is not tailored to any Investor's specific circumstances, and Investors should seek their own independent advice as to the tax consequences of investing in the MLI.

What is the investment strategy of the MLI?

The investment strategy of the MLI is to provide:

- payment of a Conditional Coupon Amount if an Autocall Event occurs on a Autocall Event Observation Date as specified in the Term Sheet;
- potential income through payment of a Conditional Coupon Amount via exposure to the performance of two Australian company shares listed on the ASX between the Issue Date and the Maturity Date; and
- Conditional Protection of the principal invested provided that no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event.

How does an Autocall Event work?

The Final Value per Unit will depend on whether an Autocall Event or a Knock-In Event occurs, which will be determined by reference to the performance of the Reference Assets.

If an Autocall Event occurs on any of the Autocall Event Observation Dates (including the Maturity Date), the Final Value per Unit will be equal to:

$$\text{Issue Price} \times 100\%$$

An Autocall Event automatically triggers the termination of the MLI and will occur if, on any of the Autocall Event Observation Dates, the Reference Price of both of the Reference Assets is greater than or equal to 100% of their Initial Price.

As discussed in more detail below, an Autocall Event will override any Knock-In Event that may occur during the investment period.

As mentioned above, Autocall Event Observation Dates occur three months after the Issue Date and, thereafter, monthly throughout the Term (including the Maturity Date). As such, if an Autocall Event occurs on any of the Autocall Event Observation Dates prior to the Maturity Date, the MLI will terminate early.

What factors affect how the Conditional Coupon Rate is determined?

The Conditional Coupon Rate is only applicable if an Autocall Event occurs. Accordingly, you should be aware that you will not be entitled to receive the Conditional Coupon Rate if an Autocall Event does not occur.

The Conditional Coupon Rate is to be determined by the Issuer on the Issue Date and notified to the Investor after the Issue Date. The determination of the Conditional Coupon Rate on the Issue Date is influenced by a number of market variables that change daily. These variables and their impact on the Conditional Coupon Rate are summarised in the following table.

Variable	Change in Variable	Effect on Conditional Coupon Rate
Volatility of the Reference Assets	▲	▲
Interest rates	▲	▲
Correlation between Reference Asset prices	▲	▼
Knock-In Level	▲	▲

Each of the variables mentioned above is subject to continuous market movement. For this reason, the Issuer will not determine the Conditional Coupon Rate until the Issue Date. The Conditional Coupon Rate will then be communicated to all Investors in a confirmation of investment letter.

How does a Knock-In Event work?

A Knock-In Event occurs in respect of the MLI if any Reference Asset has an Official Closing Price that is equal to, or less than, the Knock-In Event Level on any day throughout the Term. The Knock-In Event Level is the level set by the Issuer in respect of the MLI as specified in the Term Sheet. The risks associated with the Knock-In Event Level are set out in Section 4.

The occurrence of a Knock-In Event will affect the availability of Conditional Protection and, therefore, will affect the Final Value per Unit the Investor will receive at Maturity. The Worst Performing Reference Asset at the relevant Maturity Date may not necessarily be the Reference Asset that has triggered the Knock-In Event.

With respect to the MLI, Conditional Protection applies to the principal invested provided that no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of this PDS.

If a Knock-In Event occurs and an Autocall Event does not occur, then the Investor will be exposed to the negative performance of the Reference Asset that has the lowest Reference Asset Return at the end of the Term. If a Knock-In Event occurs on any day on, or prior to, the Maturity Date, the Final Value per Unit will not be the Issue Price. Instead, the Final Value per Unit will only be a portion of the Issue Price to reflect the Reference Asset Return of the Worst Performing Reference Asset as at the Maturity Date and cannot exceed the Issue Price. The Worst Performing Reference Asset as at the Maturity Date is not necessarily the Reference Asset that has triggered the Knock-In Event.

If both a Knock-In Event and an Autocall Event occur, then the Autocall Event will override the Knock-In Event and the Investor will not have exposure to the negative performance of the Worst Performing Reference Asset. Instead, the Final Value per Unit will be equal to the Issue Price.

If neither a Knock-In Event nor an Autocall Event occur, then the MLI will mature on the Maturity Date and the Final Value per Unit will be equal to the Issue Price.

It is important for Investors to note that if the Reference Price of the Worst Performing Reference Asset is greater than or equal to 100% of its Initial Price, the Investor will not be entitled to the positive performance of the Reference Asset. As such, the Final Value per Unit will never be greater than the Issue Price of the MLI, but may be less than the Issue Price if a Knock-In Event occurs and an Autocall Event does not occur to override the Knock-In Event.

Citi will notify Investors if a Knock-In Event occurs by way of a letter of confirmation sent within 10 Business Days after the Knock-In Event occurs. Citi also intends to include this information in monthly updates about the product on its website. This information can be found at www.citifirst.com.

What fees are payable in relation to the MLI?

For information on what fees and commissions are payable in connection with an investment in the MLI, please refer to Section 6 of this PDS.

Do Investors in the MLI receive dividends or distributions?

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

When are returns paid?

When the Final Value per Unit will be delivered to Investors depends on whether Investors choose to take physical delivery of the Delivery Parcel or elect the Agency Sale Arrangement (see "What happens at Maturity?" below):

- **Physical delivery of the Delivery Parcel:** Investors will receive their Delivery Assets on the Settlement Date or as soon as possible thereafter; or
- **Agency Sale Arrangement:** Investors will receive their Sale Proceeds within 10 Business Days after the Settlement Date, or as soon as is reasonably practicable.

What happens at Maturity?

Approximately 20 Business Days before the Maturity Date, the Issuer will notify Investors of Maturity by sending them a Maturity Notice. With respect to an Autocall Event that triggers Maturity, the Investor will receive a Maturity Notice within 7 Business Days after an Autocall Event occurs.

At Maturity (whether by an Autocall Event or at the end of the Term) there are two options available to Investors. These options are:

Option 1: Elect to accept physical delivery of the Delivery Parcel on the Settlement Date¹; or

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

If Investors do not choose either option, the MLI will automatically default to physical delivery of the Delivery Assets.

The 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 will register those Delivery Assets in the Investor's name on the Settlement Date in accordance with the CHESS details on the Maturity Notice returned by the Investor. If the Investor is not CHESS 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.

¹ If an Autocall Event occurs in respect of the MLI, the Settlement Date will not occur on the fifth Trading Day after the relevant Maturity Date, but will occur on such later date as determined by the Issuer in its discretion as is reasonably necessary for the Issuer to fulfil its obligations under the Terms. This later date will be confirmed in the Maturity Notice which will be sent to the Investor within 7 Business Days after the occurrence of the Autocall Event.

If any fraction of a Delivery Asset (including the Portion) would otherwise be transferable by the Issuer to the Investor, the Issuer may keep that fraction of the Delivery Asset and 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 twenty Australian dollars (AUD 20). If the amount does not exceed twenty Australian dollars (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.

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. 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 Investor authorises the Issuer to use its best endeavours to sell the Delivery Parcel as soon as practicable at the best price the Issuer can obtain. The Issuer will pay the Investor the Sale Proceeds by cheque or directly into the Investor's nominated Settlement Account. The Sale Proceeds 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. Payment will be made within 10 Business Days after the Settlement Date, or as soon as reasonably practicable thereafter.

If the Delivery Parcel would otherwise include any fraction of a Delivery Asset, 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:

- nominate another time to determine the Official Closing Price; or

- 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 Early Maturity, the Early Maturity Date).

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

Physical delivery will apply if:

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

Can the MLI be terminated early?

Investors may terminate their investment in the MLI before the Maturity Date by submitting a completed Investor Sale Form (located at the back of this PDS or available by contacting the Issuer on 1300 30 70 70) to the Issuer and requesting in writing Early Maturity for the full amount of the Investor's MLI. The Issuer may, in its absolute discretion, accept or reject the Investor's request. If the Issuer accepts, then the Issuer will send the Investor an Early Maturity Notice specifying an Early Maturity Date.

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

- the normal Maturity process will apply (as set out in "What happens at Maturity?" on page 17); or
- the Issuer will pay an Exit Payment.

If the normal Maturity process applies, the Investor will receive the Early Maturity Value which means the fair economic value of the 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 the 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 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 an Exit Payment, 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 Exit Payment, the Issuer may adjust the Exit Payment for any costs, losses or expenses that it incurs in relation to 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.

If an Investor requests Early Maturity, they may receive an amount less than the Investment Amount. Investors should refer to Section 4 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 they request Early Maturity.

It is important to note that the Issuer only provides Conditional Protection to Investors who hold the MLI at Maturity and provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. This Conditional Protection ensures that the value of each MLI on the Maturity Date will be no less than the Issue Price. Conditional Protection is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of the PDS.

Can the Issuer terminate early without Investor approval?

Yes. In addition to an Autocall Event occurring on an Autocall Event Observation Date, the MLI may be terminated early by the Issuer if an Early Maturity Event occurs. An example of an Early Maturity Event is if any of the Reference Assets are suspended for any reason. Investors should refer to Section 4 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 Sale Proceeds from the Agency Sale Arrangement will be determined by reference to the Exit Payment or the fair economic value of the MLI at, or around, 5:00 pm Sydney time on the Early Maturity Date as determined by the Issuer in its absolute discretion. The Issuer may also deduct Break Costs in relation to Early Maturity.

Can the Issuer change the Terms of the MLI?

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 4 of this PDS which discusses the risks associated with Early Maturity or Adjustment Events. Investors should also read clause 5 of the Terms (in Section 10 of this PDS) to fully understand their rights and obligations if an Adjustment Event occurs.

Does the MLI offer any Conditional Protection?

Yes. The MLI offers Conditional Protection. The Issuer will deliver to an Investor the Delivery Assets with a value equal to the Issue Price multiplied by the number of Units

held by the Investors if the requirements for Conditional Protection apply. Investors should be aware that Conditional Protection does not apply if Early Maturity occurs, or a Knock-In Event occurs in the absence of an Autocall Event. The Issuer may terminate the MLI prior to the Maturity Date if an Early Maturity Event occurs. However, Early Maturity Events are generally beyond the Issuer's control and the Issuer will only call for Early Maturity if, in its opinion, such an event has a material impact on the continued viability of the MLI. Clause 4 of the Terms (in Section 10 of this PDS) describes the events that constitute an Early Maturity Event.

The MLI may also be terminated early at the Investor's request. Investors should read clause 4 of the Terms and the section titled "Can the MLI be terminated early?" in Section 3 to understand their rights and obligations if an Early Maturity occurs.

Conditional Protection provides that the value of each Unit held at Maturity will be no less than the Issue Price, but does not apply where Early Maturity occurs, or a Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to Section 4 of the PDS. Conditional Protection is also subject to rounding (see "What happens at Maturity?" earlier in Section 3 of this PDS).

Guarantee

The guarantee given to each Investor by the Guarantor is a continuing, irrevocable and unconditional guarantee of the due and punctual payment of all monies which may become actually or contingently payable to an Investor by the Issuer under, or in conjunction with, the MLI and the due and punctual performance of the Issuer's obligations under the Terms. Each Investor is entitled severally to enforce the guarantee. The guarantee is subject to the creditworthiness of the Guarantor.

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

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

Issue size

The Issuer aims to raise the equivalent of AUD 3-5 million. If less than the equivalent of AUD 3 million is raised, the

Issuer may, in its absolute discretion, issue the MLI anyway. However, the Issuer retains the discretion to reject any Applications. If the Issuer rejects Applications, the Investment Amounts will be returned to Applicants (without interest) either by bank transfer or by cheque at the risk of the Applicant within 14 Business Days after the Offer Closing Date.

Disputes concerning the MLI

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

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

If the outcome is unsatisfactory, Investors may refer their complaint to the 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 AUD150,000.

Section 4 – Risks of investing in the MLI

Risk Factors

Conditional Protection

The Final Value per Unit is protected where Conditional Protection applies.

In respect of the MLI, Conditional Protection only applies to the principal invested, provided that no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection safeguards the MLI from market risks but is subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please see below in this section of the PDS.

The MLI does not represent a deposit or other liability of Citigroup Pty Limited or Citibank, N.A. (Sydney Branch) and these entities do not stand in any way behind the capital value and/or performance of the MLI.

The MLI is subject to investment risks, including the risk that the fair economic value received on Early Maturity may be less than the Investment Amount.

Knock-In Event risk

The Final Value per Unit is subject to the occurrence of a Knock-In Event in the absence of an Autocall Event. If a Knock-In Event occurs and an Autocall Event does not occur, an Investor is exposed to the Reference Asset Return of the Worst Performing Reference Asset. If a Knock-In Event does not occur, the Final Value per Unit is the Issue Price.

The closer the Initial Price is to the Knock-In Level, the greater the likelihood that a Knock-In Event will occur (provided that all other factors that affect the return on the MLI remain equal). The Knock-In Level may change in subsequent series of the MLI.

Conditional Protection does not apply in relation to the MLI where a Knock-In Event occurs, unless an Autocall Event subsequently occurs. If both a Knock-In Event and an Autocall Event occur, the Investor will have the benefit of Conditional Protection and the value of the MLI will be equal to the Final Value per Unit multiplied by the number of Units held by the Investor.

There is no guarantee that the Reference Asset Return of the Reference Assets will remain above the Knock-In Event Level for the Term. If a Knock-In Event occurs and an Autocall Event does not occur, the Investor will not have the benefit of Conditional Protection and the value of the

MLI will be calculated by reference to the Worst Performing Reference Asset at Maturity. The Final Value per MLI may be less than the Issue Price. There is no guarantee that the Final Value per MLI multiplied by the number of Units held by the Investor will be greater than or equal to the Investment Amount.

If the Reference Asset Return of each Reference Asset Maturity is greater than or equal to 100% of the Initial Price, the Investor will receive the Issue Price for each Unit held, but will not be entitled to the positive Reference Asset Return of any Reference Asset.

Autocall Event risk

If an Autocall Event occurs, the Final Value per Unit will be equal to the Issue Price, even if a Knock-In Event has occurred during the investment period prior to the occurrence of the Autocall Event.

Investors should be aware that if an Autocall Event occurs, they will be entitled to a Conditional Coupon Amount which will be payable on the Settlement Date.

Credit risk

The Issuer is a wholly owned subsidiary of Citigroup Inc., 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 at 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 the MLI depends on the ability of the Issuer to perform its obligations under the Terms and the ability of the Guarantor to perform under its guarantee of the Issuer's obligations. These obligations are unsecured contractual obligations of the Issuer and Guarantor and will rank equally with other unsecured obligations and debts of the Issuer and Guarantor other than liabilities mandatorily preferred by law.

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

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

Early Maturity risk

In certain circumstances, the MLI may be terminated early where an Investor requests Early Maturity or an Early Maturity Event occurs. If an Early Maturity Event occurs, Investors will be given approximately 20 Business Days' notice of any proposed Early Maturity unless it is otherwise impracticable to do so. The Issuer only provides Conditional Protection for the MLI at Maturity, provided no Early Maturity occurs, and no Knock-In Event occurs in the absence of an Autocall Event. This means that if a Knock-In Event occurs, Investors will not have the benefit of Conditional Protection unless an Autocall Event subsequently occurs. Conditional Protection is also subject to the creditworthiness of Citigroup Global Markets Australia Pty Limited and Citigroup Inc. For more details, please refer to "Credit risk" above. Prior to Maturity, Investors will receive the fair economic value of the MLI or the Exit Payment (as determined by the Issuer) which will be based on various market factors such as the performance of the Reference Assets, volatility, interest rates and time remaining to Maturity. This may result in the value of a MLI being less than the Issue Price in instances where Early Maturity applies. In determining the fair economic value or the Exit Payment, the Issuer may deduct Break Costs (which may be substantial) in relation to Early Maturity.

Liquidity risk

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

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

Market risk and economic factors

There is no guarantee that the Final Value per Unit will, on the Maturity Date, be equal to the Issue Price. The value of the MLI will be affected by a number of market variables that change daily, such as the performance of each Reference Asset, interest rates, volatility and the trading liquidity of the Reference Assets, 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.

There is no guarantee that any Conditional Coupon Amount will be payable. The Conditional Coupon Amount is based on the level of the Conditional Coupon Rate and the performance of the underlying Reference Assets. The Conditional Coupon Rate is a simple (non-compounding) fixed rate of return per annum payable *only* if an Autocall Event

occurs. If both Reference Assets are above 100% of their Initial Levels at any given Autocall Event Observation Date, a Conditional Coupon Amount will be paid at Maturity.

Adjustment Event risk

There may be adjustments to the Terms of the MLI due to Adjustment Events such as (but not limited to) mergers and disposals, price source disruption, changes to the Issuer's hedging arrangements, trading suspension, material limitation on trading of the Reference Assets and/or Delivery Assets and changes in Corporations Act or taxation laws. Investors should read clause 5 of the Terms set out in Section 10 of this PDS.

Exercise of discretion by the Issuer

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

Tax risk

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

In particular, Investors should note that Section 8 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 8 of this PDS, the ATO has examined deferred purchase agreements. It is important that potential Investors carefully review the comments in Section 8, as regards to the ATO views and implications for the MLI.

Factors affecting the Reference Assets

An Investor in the MLI should be familiar with shares and with investments in equity securities markets generally. In particular, Investors should be familiar with the securities market on which the Reference Assets 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 Assets

The value of the Reference Assets will vary over time. The performance of the Reference Assets will have a direct effect of reducing the value of the MLI and the Final Value per Unit if a Knock-In Event occurs at any time and an Autocall Event does not occur. There is no guarantee that the Final Value per Unit will equal the Issue Price.

The performance of the Reference Assets will also affect whether a Conditional Coupon Amount is payable at the Maturity Date.

Interest rate risk

Fluctuations in interest rates can affect the value of the MLI prior to the Maturity Date. If long-term interest rates increase then, all other things being equal, the value of the MLI is expected to fall. Conversely, if long-term interest rates decrease then, all other things being equal, the value of the MLI is expected to increase.

Performance of the MLI may be different to the performance of the Reference Assets

Investors should be aware that the return they receive from investing in the MLI may be less than, or greater than, the performance of the Reference Assets.

Potential conflicts of interest

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

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

Investment decisions

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

Readers should not rely on this PDS as the sole or principal basis of a decision to invest in the MLI, Delivery Assets or any other financial product and should seek independent financial, legal and taxation advice before making a decision to invest.

Currency risk

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

Reinvestment risk

If an Autocall Event occurs, the Conditional Coupon Amount will be payable. The amount of the Conditional Coupon Amount is calculated by reference to the number of months that have passed since the Issue Date. If an Autocall Event occurs before the Maturity Date, there is no guarantee that Investors will be able to reinvest the Conditional Coupon Amount at the same rate for the remainder of the Term.

Section 5 – Scenario analysis

The calculations and charts in this section are illustrative examples designed to indicate how an investment in the MLI could perform under different scenarios. In each of the following numerical examples, assume that the Investor has subscribed for 100,000 Units in the AUD Series at an Issue Price of AUD 1.00 per Unit and does not elect to use the Agency Sale Arrangement at Maturity. Also, assume that the Conditional Coupon Rate is fixed at 20% p.a. and that the Term is 12 months.

These scenarios have been included solely so that Investors may gain insight into the possible returns that an Investor may receive over the investment term. The Reference Asset Return, Conditional Coupon Amount and Final Value per Unit calculations below are not forecasts, projections or predictions. Investors are cautioned that the Reference Asset Return, Conditional Coupon Amount and Final Value per Unit calculations are subject to risks and uncertainties, and are not a statement about likely future performance.

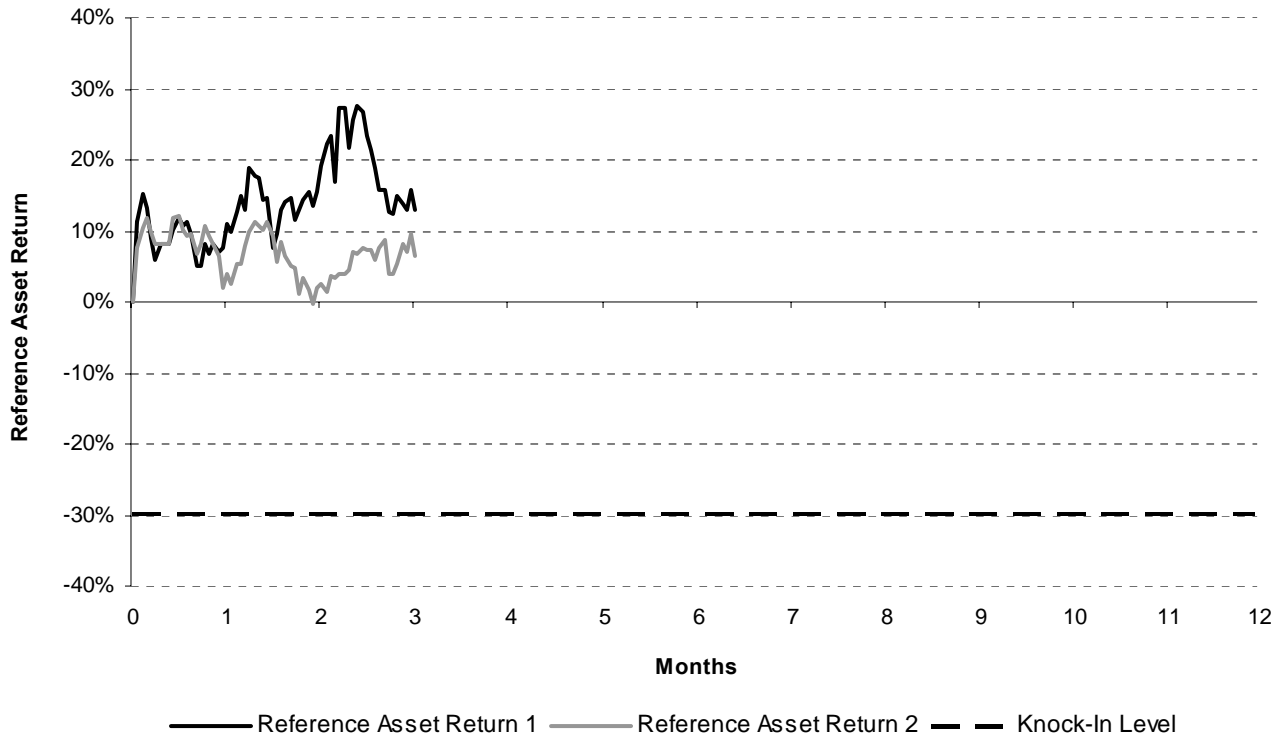
The Issuer will withhold interest withholding tax at 10% from Conditional Coupon Amounts paid to Investors whose Postal Address or Settlement Account as provided on the Application Form, is outside Australia.

These hypothetical numerical examples do not take into consideration tax implications or any costs associated with the MLI.

Investors should be aware that their entitlement to receive a Conditional Coupon Amount and Final Value per Unit are obligations of the Issuer and Guarantor. If the Issuer and the Guarantor default on their obligations to pay any of these amounts, you will be an unsecured creditor in relation to that defaulted obligation.

Bullish Scenario – Knock-In Event does not occur but an Autocall Event does occur

In the first example, we describe an Investment in the MLI where the Official Closing Price of each Reference Asset rises above its Initial Price on the first Autocall Event Observation Date (i.e. the three month anniversary of the Issue Date), at which point an Autocall Event occurs.



The table below summarises the total returns the Investor will receive over the investment term based on the scenario depicted above.

Length of investment	Worst Performing Reference Asset return	Knock-In Event occurred?	Autocall Event occurred?	Conditional Coupon Amount per Unit	Final Value per Unit
3 months	9%	No	Yes	AUD 0.05	AUD 1.00

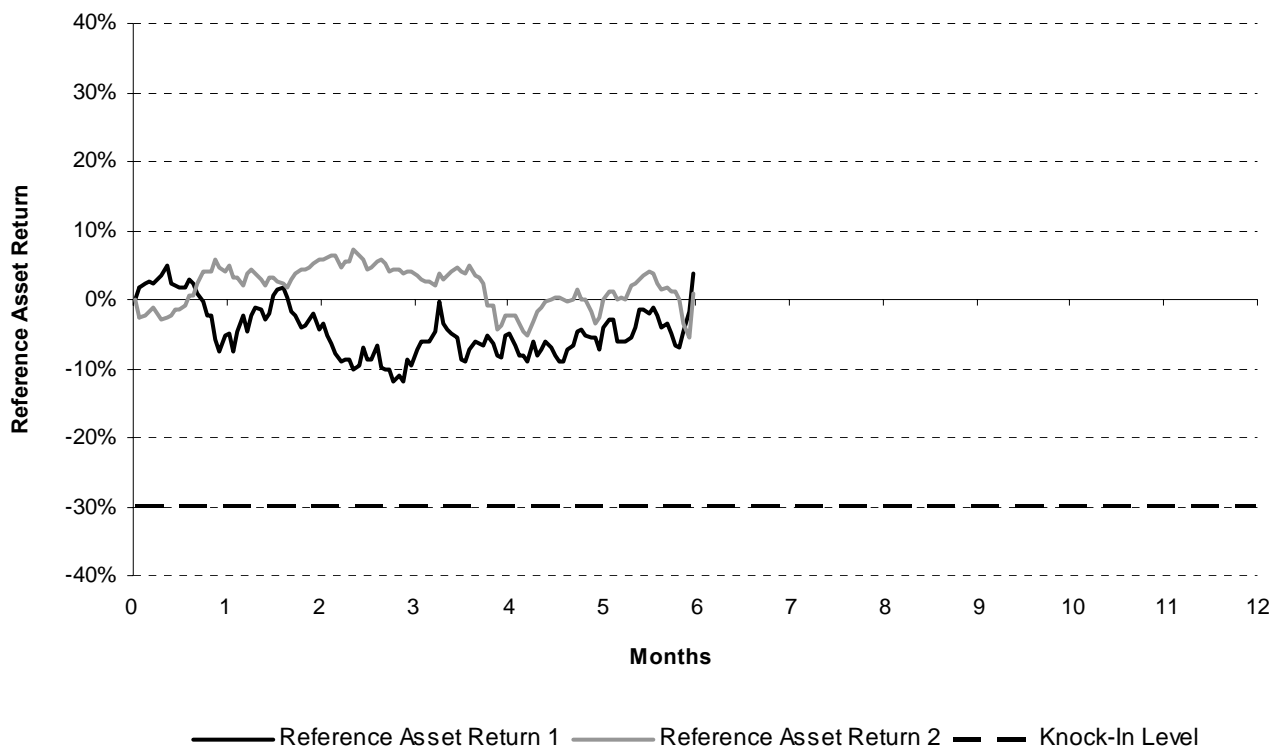
In this example, an Autocall Event (i.e. Reference Asset Return of each Reference Asset is greater than or equal to 0%) does occur on the first Autocall Event Observation Date. Consequently, the MLI will terminate on this date and a Conditional Coupon Amount is payable. An Investor that held 100,000 Units would receive a Conditional Coupon Amount of AUD 5,000 (i.e. $m/M \times \text{Conditional Coupon Rate} \times \text{Issue Price} \times \text{number of Units held} = 3/12 \times 20\% \times 1.00 \times 100,000$) on the relevant Conditional Coupon Payment Date.

As an Autocall Event has occurred, the Final Value per Unit will be the Issue Price. This means that the Investor will receive a Delivery Parcel representing the Investment Amount (i.e. $100\% \times \text{Issue Price} \times \text{number of Units held}$) on the Settlement Date.

In overall terms, the Investor would receive AUD 105,000 (AUD 5,000 Conditional Coupon Amount + AUD 100,000 in Delivery Parcel) over the term of investment.

Moderate Scenario 1 – Knock-In Event does not occur but an Autocall Event does occur

In the second example, we describe an Investment in the MLI where the Official Closing Price of each Reference Asset remains relatively flat rising above its Initial Price on the fourth Autocall Event Observation Date (i.e. six months after the Issue Date), at which point an Autocall Event occurs. In this scenario, a Knock-In Event does not occur but an Autocall Event does occur.



The table below summarises the total returns the Investor will receive over the investment term based on the scenario depicted above.

Length of investment	Worst Performing Reference Asset return	Knock-In Event occurred?	Autocall Event occurred?	Conditional Coupon Amount per Unit	Final Value per Unit
6 months	1%	No	Yes	AUD 0.10	AUD 1.00

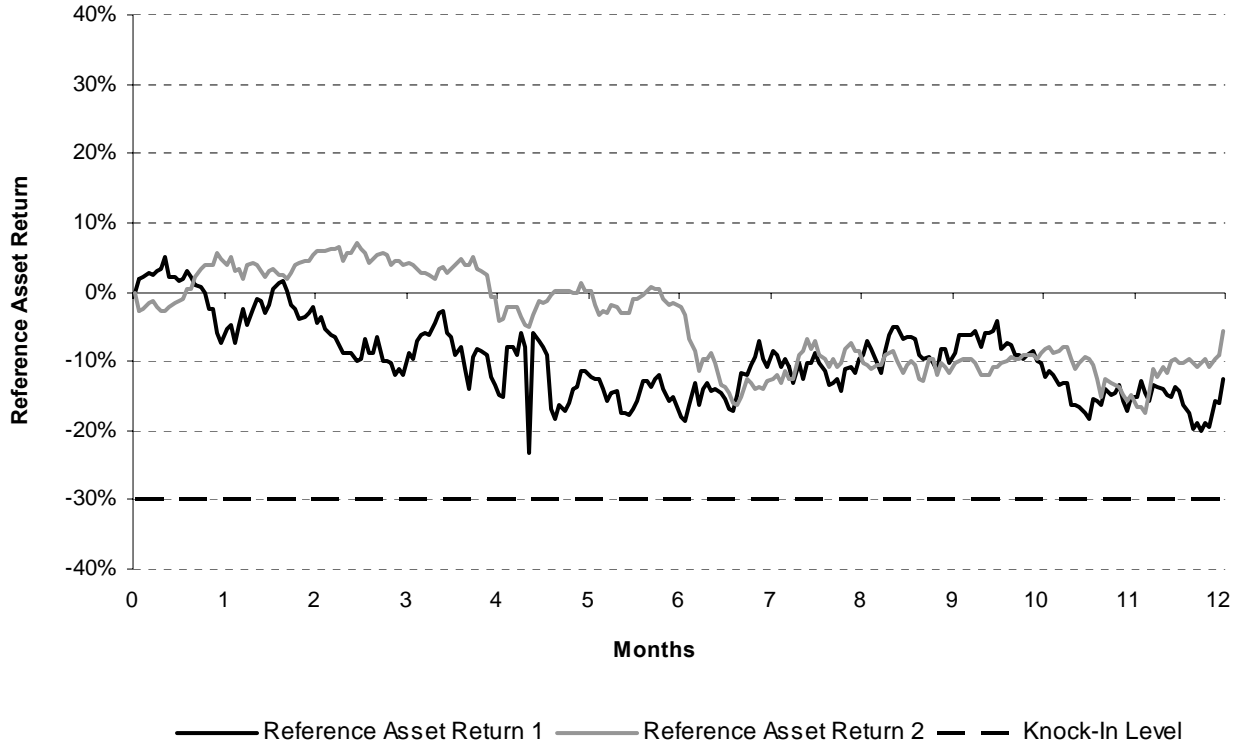
In this example, an Autocall Event (i.e. Reference Asset Return of each Reference Asset is greater than or equal to 0%) does occur on the fourth Autocall Event Observation Date. Consequently, the MLI will terminate on this date and a Conditional Coupon Amount is payable. An Investor that held 100,000 Units would receive a Conditional Coupon Amount of AUD 10,000 (i.e. $\frac{6}{12} \times 20\% \times 1.00 \times 100,000$) on the relevant Conditional Coupon Payment Date.

As an Autocall Event has occurred, the Final Value per Unit will be the Issue Price. This means that the Investor will receive a Delivery Parcel representing the Investment Amount (i.e. $100\% \times \text{Issue Price} \times \text{number of Units held}$) on the Settlement Date.

In overall terms, the Investor would receive AUD 110,000 (AUD 10,000 Conditional Coupon Amount + AUD 100,000 in Delivery Parcel) over the term of investment.

Moderate Scenario 2 – neither a Knock-In Event, nor an Autocall Event occurs

In the third example, we describe an Investment in the MLI, where the Reference Asset Return of each Reference Asset trends downwards over the 12 month term of the investment. In this scenario, neither a Knock-In Event nor an Autocall Event occurs.



The table below summarises the total returns the Investor would receive over the investment term based on the scenario depicted above.

Length of investment	Worst Performing Reference Asset return	Knock-In Event occurred?	Autocall Event occurred?	Conditional Coupon Amount per Unit	Final Value per Unit
12 months	-12%	No	No	Nil	AUD 1.00

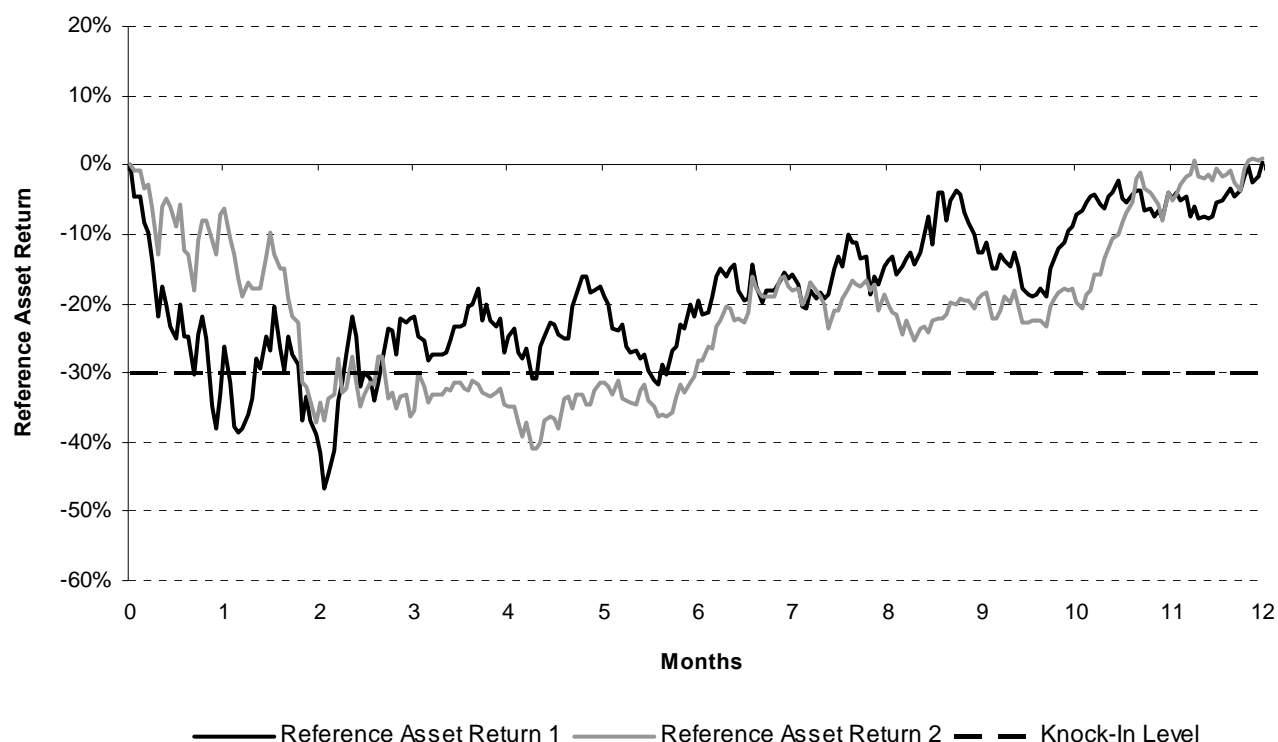
In this example, an Autocall Event (i.e. Reference Asset Return of each Reference Asset is greater than or equal to 0%) does not occur on any of the Autocall Event Observation Dates. Consequently, the MLI will not terminate early and a Conditional Coupon Amount is not payable.

As for the Final Value per Unit, as neither a Knock-In Event nor an Autocall Event has occurred, the Investor will receive a Delivery Parcel representing the Investment Amount (i.e. 100% x Issue Price x number of Units held) on the Settlement Date.

In overall terms, the Investor would receive AUD 100,000 (AUD Nil Conditional Coupon Amount + AUD 100,000 in Delivery Parcel) over the term of investment.

Recovery Scenario - both Knock-In Event and Autocall Event occur

In the fourth example, we describe an Investment in the MLI where the Official Closing Price of each Reference Asset falls and then recovers to its Initial Price on the tenth Autocall Event Observation Date, at which point an Autocall Event occurs. In this scenario, both a Knock-In Event and an Autocall Event occur.



The table below summarises the total returns the Investor would receive over the investment term based on the scenario depicted above.

Length of investment	Worst Performing Reference Asset return	Knock-In Event occurred?	Autocall Event occurred?	Conditional Coupon Amount per Unit	Final Value per Unit
12 months	0%	Yes	Yes	AUD 0.20	AUD 1.00

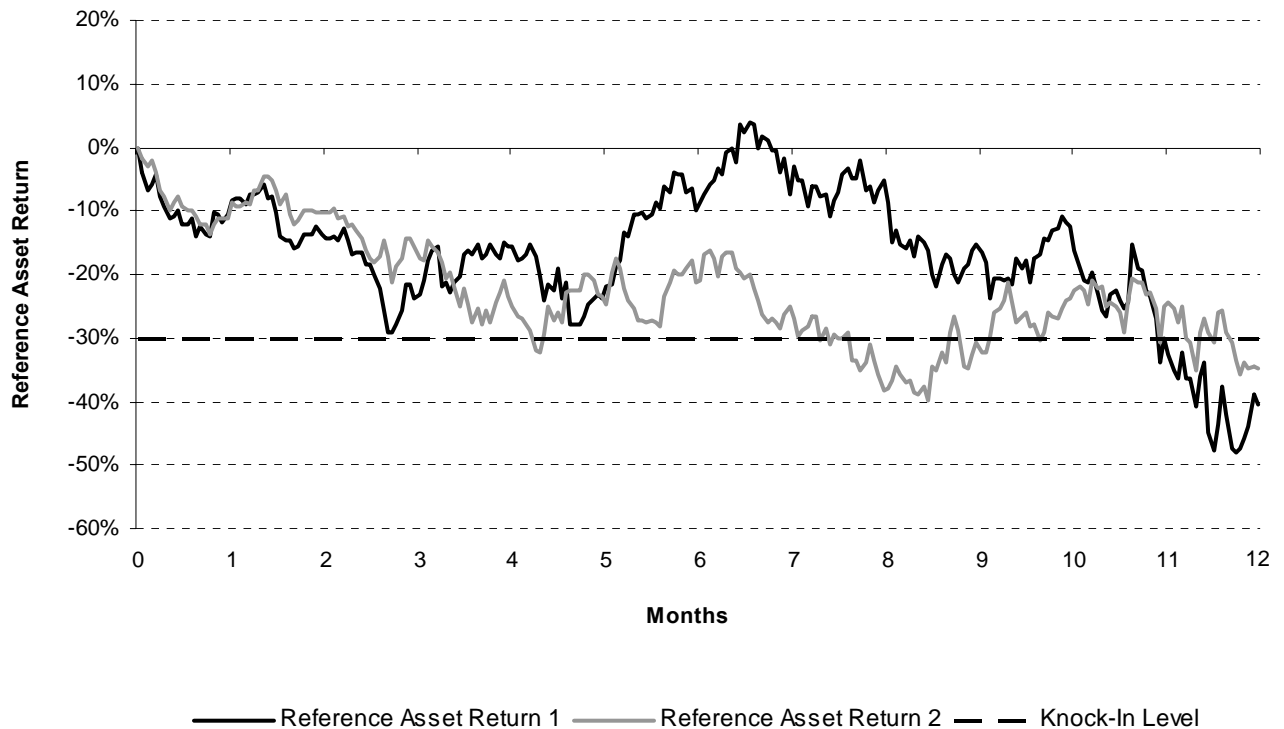
In this example, an Autocall Event (i.e. Reference Asset Return of each Reference Asset is greater than or equal to 0%) does occur on the tenth Autocall Event Observation Date, i.e. at Maturity. As an Autocall Event occurs on the Maturity Date, the MLI will not terminate early however a Conditional Coupon Amount is still payable. An Investor that held 100,000 Units would receive a Conditional Coupon Amount of AUD 20,000 (i.e. $m/M \times \text{Conditional Coupon Rate} \times \text{Issue Price} \times \text{number of Units held} = 12/12 \times 20\% \times 1.00 \times 100,000$) on the relevant Conditional Coupon Payment Date.

As an Autocall Event has occurred, the Final Value per Unit will be the Issue Price. This means that the Investor will receive a Delivery Parcel representing the Investment Amount (i.e. $100\% \times \text{Issue Price} \times \text{number of Units held}$) on the Settlement Date. Note that although a Knock-In Event occurs (i.e. any Reference Asset has a Reference Asset Return equal to, or less than, -30% of the Initial Price on any day throughout the Term), the Autocall Event overrides the Knock-In Event and the Investor will not have exposure to any negative performance of the Worst Performing Reference Asset.

In overall terms, the Investor would receive AUD 120,000 (AUD 20,000 Conditional Coupon Amount+ AUD 100,000 in Delivery Parcel) over the term of investment.

Bearish Scenario – Knock-In Event does occur and Autocall Event does not occur

In the final example, we describe an Investment in the MLI, where the Reference Asset Return of each Reference Asset falls below the Knock-In Level triggering a Knock-In Event. In this scenario, a Knock-In Event does occur however an Autocall Event does not occur.



The table below summarises the total returns the Investor would receive over the investment term based on the scenario depicted above.

Length of investment	Worst Performing Reference Asset return	Knock-In Event occurred?	Autocall Event occurred?	Conditional Coupon Amount per Unit	Final Value per Unit
12 months	-40%	Yes	No	Nil	AUD 0.60

In this example, an Autocall Event (i.e. Reference Asset Return of each Reference Asset is greater than or equal to 0%) does not occur on any of the Autocall Event Observation Dates. Consequently, the MLI will not terminate early and a Conditional Coupon Amount is not payable.

As for the Final Value per Unit, since a Knock-In Event does occur (i.e. any Reference Asset has a Reference Asset Return equal to, or less than, -30% of the Initial Price on any given day throughout the Term) but an Autocall Event does not occur, the Investor will receive a Delivery Parcel representing 60% of the Issue Price [i.e. $100\% + \text{Min}(\text{Reference Asset Return of the Worst Performing Reference Asset on the Maturity Date}, 0\%) = 100\% + \text{Min}(-40\%, 0\%)$] on the Settlement Date. Note that as a Knock-In Event does occur but an Autocall Event does not occur, the Investor is exposed to any negative performance of the Worst Performing Reference Asset.

In overall terms, the Investor would receive AUD 60,000 (AUD Nil Conditional Coupon Amount + AUD 60,000 in Delivery Parcel) over the term of investment.

Section 6 – Fees associated with the MLI

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

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

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

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

The Issuer will pay to distributors, including Citigroup Pty Limited, an upfront Distributor Fee of up to 2.50% (including GST if applicable) of the Investment Amount. This fee will be paid by the Issuer at no additional cost to the Investor.

This fee is payable by the Issuer out of its own funds and is not an additional cost to the Investor, nor is this fee deducted from the Investment Amount.

For example, if you invest AUD 1,000,000, the Distributor Fee payable to the distributor would be AUD 25,000 (i.e. \$1,000,000 x 2.50%). This is paid by the Issuer to the distributor at no additional cost to Investors.

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 a financial adviser.

Section 7 – Information about the Issuer and Guarantor

Who are the Issuer and the Guarantor?

The Issuer of the MLI is Citigroup Global Markets Australia Pty Limited. The Issuer is a wholly owned subsidiary of Citigroup Inc. and a member of the Citigroup Inc. group of companies ("Group"). Citigroup Inc. guarantees the performance of the Issuer's obligations under this PDS and the Terms, but does not guarantee the performance of the MLI.

The Issuer has previously provided credit rating information in retail disclosure documents. However, due to changes in the regulatory environment, most credit rating agencies are no longer consenting to the inclusion of credit rating information in retail disclosure documents issued in Australia. Therefore, no credit ratings have been included in this document.

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. is a leading global financial services company, has more than 200 million customer accounts and does business in more than 140 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. Additional information may be found at www.citigroup.com or www.citi.com.

At 31 December 2009, Citi had approximately 265,300 full-time employees and 3,700 part-time employees.

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

Citi in Australia and New Zealand

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

Copies of financial statements of the Issuer can be found at 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 statement or representation in this PDS.

Section 8 – Tax considerations

Greenwoods & Freehills

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

27 April 2010

Dear Directors,

MLI Autocall – Deferred Purchase Agreement AUD MLI 2010 – 05 & USD MLI 2010 – 05 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 27 April 2010, in relation to the Market Linked Investment Autocall Deferred Purchase Agreement AUD MLI 2010 – 05 and USD MLI 2010 – 05 ("**MLI**").

1 Scope

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

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

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

In particular, it is assumed that Investors will take physical delivery of their Delivery Assets (i.e. ordinary shares in Westpac Banking Corporation) 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 and also where an Autocall Event occurs prior to the Maturity Date, 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.

Doc 510074121.1

Greenwoods & Freehills Pty Limited ABN 60 003 146 852

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

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

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

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

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

2 Tax treatment of the MLI: general comments

The MLI 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.

The MLI has some differences to the features set out in the ATO TDs. However, in our opinion, the outcomes set out in the ATO TDs should generally also apply to the MLI. 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 the MLI.

3 Tax treatment of Conditional Coupon Amounts

In TD 2008/21, the Commissioner expresses the view that "coupon payments" on typical DPAs are assessable income. Accordingly, Investors should include Conditional Coupon Amounts received on their MLI in their assessable income.

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

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

4.1 Introduction

In TD 2008/21, the Commissioner has reached the view that any gain (other than Conditional Coupon Amounts) 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

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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 expressed 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 the MLI and the Delivery Assets as capital assets, any gains (other than Conditional Coupon Amounts) or losses made by an Investor in relation to the MLI and the Delivery Assets should generally be on capital account and subject to taxation under the CGT rules.

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

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 the MLI on the Settlement Date, even if the Investor continues to hold the Delivery Assets beyond that date. The Commissioner has reached the view that in the case of typical DPAs, CGT will apply to an unrealised gain or loss at the time of the delivery of the relevant delivery assets, on the basis that the investor's contractual rights under the DPA are separate and distinct assets to the actual delivery assets.

Capital gain (first taxing point)

It is not expected that a capital gain could arise in respect of the AUD Series MLI as the value of the Delivery Parcel will not exceed the Investment Amount.

Where an Investor acquires the USD Series MLI, the cost base of the CGT asset, for the purposes of the first taxing point, will include the USD-denominated Investment Amount translated into AUD by applying the USD/AUD spot exchange rate on the Issue Date (together with certain other amounts such as non-deductible 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 at the maturity of the MLI expressed in AUD.

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 MLI investment at that point.

Taxation of other foreign currency gains or losses

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

Capital gains discount concession – application at the first taxing point

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

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

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 for the MLI) may be applied to offset capital gains (before any CGT discount concession) 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 include the Investment Amount paid by the Investor upon Application for their MLI investment (together with certain other amounts such as non-deductible 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 Delivery Assets.

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

Under TD 2008/22, the Delivery Assets themselves would need to be held for a continuous period of 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 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

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

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

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

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 the MLI. However, we note that there may be additional factual circumstances applicable to

**Greenwoods
& Freehills**

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 the MLI, 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 the MLI and the Delivery Assets.

Yours sincerely,



Tim Kyle
Director
Greenwoods & Freehills Pty Limited

Section 9 – Additional information

Consents

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.

Greenwoods & Freehills Pty Ltd (“Greenwoods & Freehills”) has given, and not withdrawn, its written consent to being named as having acted as tax adviser to the Issuer in connection with the issue of the MLI pursuant to this PDS. It has, in that capacity, provided the tax opinion in the Tax Considerations section of this PDS (Section 8). 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 8 - Tax Considerations.

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

Experts' and advisers' interests

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

Freehills and Greenwoods & Freehills will receive fees for their professional services in connection with this PDS as advisers to the Issuer. Some partners or directors of those firms may, from time to time, have an interest in the MLI, the Delivery Assets, any Reference Asset 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 a Reference Asset other than that which is in the public domain. Neither the Issuer, nor its related bodies corporate, nor any director or proposed director of the Issuer, nor any firm in which a director or proposed director of the Issuer is a partner has, at the date of this PDS, any material interest in connection with the formation or promotion of either the Issuer, the MLI, a Reference Asset or the Delivery Assets except that:

- the Issuer earns brokerage at normal commercial rates on transactions in relation to the MLI which it

undertakes. This is at no additional cost to the Investor;

- Citigroup Inc. group 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. group company, participate in these incentive remuneration arrangements;
- the Issuer and its related bodies corporate, as part of its investment banking and stock-broking business, may, from time to time, advise or act for the issuer of a Reference Asset or the financial instruments dependent on the Delivery Asset, or advise or act for other clients in relation to the Reference Asset or the Delivery Asset, or publish research reports on the issuer of a Reference Asset 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 financial instruments dependent on a Reference Asset or the Delivery Assets for trading purposes, including market making, or to hedge the MLI. Related bodies corporate of the Issuer may deal in a Reference Asset, the Delivery Assets, options and other derivative contracts in respect of them.

Privacy Statement

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

We may use this information to send you information about other investment products. You can also tell us if you wish to receive this information from the outset on the Application Form. If, at any time, you receive information from us about our products and do not wish to receive further correspondence, please let us know. 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 Citigroup Pty Limited, a distributor of the MLI.

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

We store information about you in databases which may be maintained outside Australia by other Citi companies. On request, we will provide you with a copy of any

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

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

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

Citi Privacy Officer

GPO Box 204

Sydney NSW 2001

Telephone: +61 2 8225 1000

E-mail: privacy.officer@citi.com.au

Section 10 - Terms and conditions

Market Linked Investment ("MLI")

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

1. Applications and Acceptance

1.1. Offer by the Applicant

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

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

1.2. Investor bound by Terms

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

1.3. Acceptance of the offer by the Issuer

- (a) The Issuer may decide in its absolute discretion whether or not it will accept the Applicant's offer to acquire the Delivery Parcel from the Issuer.
- (b) If the Issuer decides that it will accept an Application and provided that the Issuer has received the Investment Amount in cleared funds by the Offer Closing Time (or such other time if otherwise accepted by the Issuer in its discretion), acceptance of the Applicant's offer will take place on, and the parties' rights and obligations under these Terms will commence on, the Issue Date.
- (c) For each AUD 1.00 of Investment Amount paid the Applicant will be entitled to one Unit.
- (d) Within 10 Business Days after 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 of these Terms). Following Maturity, the Issuer will deliver the Delivery Parcel to the Investor in accordance with clause 3 of these Terms.

2.2. Payment of the Investment Amount

- (a) The Investor must pay the Investment Amount to the Issuer in cleared funds by the Offer Closing Time.
- (b) The minimum Investment Amount that will be accepted by the Issuer under these Terms is the Minimum Investment 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 relevant Maturity Date and, in respect of an Autocall Event only, within 7 Business Days after an Autocall Event occurs.

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 nominee, 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 nominee, of the Delivery Parcel;
- (c) the Issuer, or its nominee, 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 after the Settlement Date or as soon as reasonably practicable thereafter; and

- (d) the Investor acknowledges and agrees that:

- (i) the Issuer, or its nominee, 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 nominee, 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. Payment of Conditional Coupon Amounts by the Issuer

In respect of each MLI held on an Autocall Event Observation Date on which an Autocall Event occurs, the Issuer must pay to the Investor a Conditional Coupon Amount that is calculated by reference to the Conditional Coupon Rate (determined on the Issue Date) on the Conditional Coupon Payment Date.

3.6. 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), and any payment of amounts due under clause 3.5, the Issuer's obligations to the Investor under these Terms are satisfied and discharged.

3.7. 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 after 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 and 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.

3.8. Autocall Events

- (a) The Issuer will give a Maturity Notice to an Investor within approximately 7 Business Days after the Autocall Event occurs.
- (b) If an Autocall Event occurs:
 - (i) clauses 3.3 to 3.7 (inclusive) apply as if the Maturity Date is the Autocall Event Observation Date on which the Autocall Event occurs;
 - (ii) clause 4 of these Terms does not apply, since an Autocall Event is not an Early Maturity Event.

4. Early Maturity

4.1. Early Maturity by the Issuer

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

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

- (f) a Hedging Event as described in clause 5.2; or
- (g) any actual or proposed event that may reasonably (in the Issuer's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (f) above occurring.

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

4.2. Early Maturity at the request of the Investor

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

4.3. Determination that there will be 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 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 Early Maturity in accordance with clause 4.1 only or if the Investor has requested Early Maturity, 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 Exit Payment 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; and
 - (iii) if specified in the Maturity Notice, Early Maturity will occur by the Issuer paying to the Investor the Exit Payment to the Investor's Settlement Account (or by paying the Exit Payment by cheque to the Investor if no Settlement Account is

nominated) within 10 Business Days after the Settlement Date or as soon as practicable thereafter.

- (b) 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 Exit Payment 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.
- (c) If there is Early Maturity by the Issuer under clause 4.1 only or if the Investor has requested 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:

Delivery Parcel =

Early Maturity Value × no. of Units held by Investor

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

4.5. Substitution of Delivery Assets

The Issuer may, in its reasonable opinion, determine that it is not possible to transfer the Delivery Assets comprising the Delivery Parcel to the Investor. In this case, Maturity will take place in accordance with clause 3 (or, in the case of Early Maturity, in accordance with clause 4.4(a)) except that the Issuer may substitute the Delivery Asset with any other security or managed investment product quoted and trading on a Relevant Exchange operated by ASX, where that security or managed investment product is in a class of financial products that is a constituent of the S&P/ASX 200 Price Index 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 Conditional Protection before Maturity

If there is Early Maturity, whether it arises because of an Early Maturity Event or because the Investor has requested Early Maturity, 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. For the avoidance of doubt, where there is Early Maturity (and the Issuer elects the normal Maturity processes to apply), the Delivery Parcel will only be determined in accordance with clause 4.4(c).

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 or managed investment product quoted and trading on a Relevant Exchange operated by ASX, where that security or managed investment product is in a class of financial products that is a constituent of the S&P/ASX 200 Price Index; and/or
- (b) substitute a Reference Asset with another security quoted and traded on the Relevant Exchange at the discretion of the Issuer; 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 Assets"; 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 the MLI, 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 the MLI, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) (an “Increased Cost of Hedging” and together with the Hedging Disruption, each a “Hedging Event”), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging, then the Issuer shall, in its sole and absolute discretion, determine if such Hedging Event has a material effect on the MLI and, if so, the Issuer may make such adjustments (as described in clause 5.1 above) to any of the Terms of the MLI as it determines appropriate to account for any such Hedging Event and determine the date(s) on which any such adjustments will be effective. If in the reasonable opinion of the Issuer it is not possible or desirable to deal with the occurrence of the Hedging Event in accordance with this clause 5, the Issuer may nominate the event as an Early Maturity Event and may deal with that event in accordance with clause 4. The Issuer will notify Investors of any adjustment that it proposes to make under this clause before the adjustment occurs or as soon as reasonably practicable after the adjustment occurs.

6. Accretions

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

7. The Issuer's obligations are unsecured

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

8. Interest in the Delivery Assets

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

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

The Issuer, or its nominee, will hold the Portion of the Delivery Assets for the Investor from the Issue Date until 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 nominee, has all the powers that a natural person would have in relation to the Portions, subject to these Terms.

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

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

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

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

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

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

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

The Issuer, or its nominee, is indemnified in its capacity as holder of the Portions for all costs, expenses, outgoings, loss or damages paid, suffered or incurred in that capacity, from the Portions so held, unless such cost, expense, outgoing, loss or damage arises by virtue of dishonesty or wilful breach of trust.

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

9. Taxes

- (a) The Issuer is not liable for any Taxes or other charges payable 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 MLI being applied for will not breach or result in a breach of any exchange controls, fiscal, securities or other laws or regulations for the time being applicable to the MLI or the Investor and the Investor is not a resident or national of any jurisdiction where the Application for or the Maturity of the MLI is prohibited by any law or regulation or where compliance with the relevant laws or regulations would require filing or other action by the Issuer or any of its related bodies corporate; and
- (g) the Investor acknowledges that Section 8 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; and
 - (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 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; or
 - (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 and any necessary foreign exchange will be calculated by applying the AUD spot rate as at the date of that calculation.

14.2. No merger

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

14.3. Rounding

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

14.4. Certificates

Any document or thing required to be certified by the Investor or the Issuer must be certified by the Investor (if an individual) or a director, secretary or authorised officer of the Investor (if a company) or 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.
- (c) 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.

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

14.10. Recording conversations

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

14.11. Calculations and references to dates and times

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

14.12. Payments by the Issuer

All amounts payable by the Issuer under these Terms will be paid to the Investor's Settlement Account. If the Investor has not nominated a Settlement Account, payment will be made by the Issuer drawing a cheque made payable to the Investor which will be sent to the 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 Reference Asset 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); or
 - (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 Index Provider, but is calculated and announced by a successor to the 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) 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;
- (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;

"AFSL" means Australian Financial Services Licence;

"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;

"APRA" means Australian Prudential Regulation Authority;

"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;

"**ASX Group**" is comprised of ASXO, ASX and any of its related bodies corporate;

"**ASXO**" means ASX Operations Pty. Ltd. (ABN 42 004 523 782);

"**ATO**" means the Australian Taxation Office;

"**AUD**" means Australian currency;

"**Autocall Event**" has the meaning given in the Term Sheet;

"**Autocall Event Observation Date**" has the meaning given in the Term Sheet;

"**Beneficial Interest**" means the equitable interest in the Portion of Delivery Assets, which is part of each MLI;

"**BHP**" means BHP Billiton Limited;

"**Break Costs**" means all costs, expenses and losses incurred by the Issuer and notified by the Issuer as payable by the Investor as a result of:

- (a) the acceleration of the Maturity Date or other early termination of any MLI;
- (b) the termination or reversal of any arrangements or hedge position entered into by the Issuer in connection with any MLI which is terminated early; or
- (c) any loss of profits that the Issuer may suffer by reason of the early termination of the MLI;

"**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;

"**CHESS**" means Clearing House Electronic Sub-register System;

"**Citi**" means the Issuer;

"**Closing Time**" means, subject to clause 3.8(b), 5:00 pm Sydney time on the Trading Day immediately prior to the Maturity Date;

"**Conditional Coupon Amount**" has the meaning given in the Term Sheet;

"**Conditional Coupon Payment Date**" has the meaning given in the Term Sheet;

"**Conditional Coupon Rate**" has the meaning given in the Term Sheet;

"**Conditional Protection**" has the meaning given in the Term Sheet;

"**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 (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;

"**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(c) 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:

Final Value per Unit × no. of Units held by Investor

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

"**Denomination**" means the currency specified in the Term Sheet as the "Denomination";

"**Distributor Fee**" has the meaning given in the "Fees" section of 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 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 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;

"**Exit Payment**" 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 Exit Payment, the Issuer may adjust the Exit Payment for any costs, losses or expenses that it incurs in relation to 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 in the Term Sheet;

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

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

"Guarantor" has the meaning given in the Term Sheet;

"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;

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

"Index Provider" means the entity who is responsible for the calculation and dissemination of an index;

"Initial Price" has the meaning given in the Term Sheet;

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

"Investment Amount" has the meaning given 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;

"Investor Sale Form" means the form used to request Early Maturity, located at the back of this PDS or available by calling the Issuer on 1300 30 70 70 or on the Issuer's website at www.citifirst.com.au;

"Issue Date" has the meaning given in the Term Sheet;

"Issue Price" has the meaning given in the Term Sheet;

"Issuer" has the meaning given in the Term Sheet;

"Knock-In Event" has the meaning given in the Term Sheet;

"Knock-In Level" has the meaning given in the Term Sheet;

"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 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, 3.7 or 4.4(a) of these Terms as the case may be;

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

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

"Offer Closing Date" has the meaning given in the Term Sheet;

"Offer Closing Time" means the time on the Offer Closing Date as specified in the Term Sheet;

"Offer Opening Date" has the meaning given in the Term Sheet;

"Official Closing Price" means:

- (a) for the purpose of determining the Official Closing Price of the Delivery Assets at the Maturity Date, 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 the Relevant Exchange 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 the 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; or
- (d) in respect of an index on a specified day, the official closing level 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 Disclosure Statement**" or "**PDS**" means the product disclosure statement to which these Terms are attached and issued by the Issuer in relation to the invitation to invest in the MLI;

"**Reference Asset**" has the meaning given in the Term Sheet;

"**Reference Asset Return**" has the meaning given in the Term Sheet;

"**Reference Price**" has the meaning given in the Term Sheet;

"**Register**" means the register of MLIs 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) any 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 fifth 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 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;

"**Tax Act**" means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth) as applicable;

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

"**Term Sheet**" means the term sheet set out in this PDS and headed "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 10 of the PDS;

"**Total Value**" means the Final Value per Unit x the number of Units held by the Investor;

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

"**Unit**" means an investment in MLI of an amount equal to the Issue Price;

"**US**" means United States of America;

"**WBC**" means Westpac Banking Corporation;

"**Worst Performing Reference Asset**" has the meaning given 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).
 - (i) All references to a month are to a period commencing at the beginning of a day of one of the 12 months of the calendar and ending:
 - (i) immediately before the beginning of the corresponding day of the next month, or
 - (ii) if there is no such corresponding day, at the end of the next month of the calendar.

Section 11 – How to invest in the MLI

The Minimum Investment Amount for the AUD Series of the MLI is AUD 10,000 with additional investments in multiples of AUD 1,000 thereafter and for the USD Series of the MLI is USD 10,000 with additional investments in multiples of USD 1,000 thereafter. If you wish to make an investment in the MLI you will need to complete an Application Form in accordance with the instructions on the following page and attach a cheque (in AUD or USD corresponding with the AUD Series or USD Series respectively) made payable to the “**MLI TRUST A/C**” for the AUD Series or “**CGMA MLI USD TRUST A/C**” for the USD Series and crossed “**Not Negotiable**”. Applications, including cleared funds, must be received by the Issuer no later than the Offer Closing Time of 5:00 pm Sydney time on 27 April 2010.

Acceptance of Applications

The Issuer may, in its absolute discretion, refuse or reject any Application (wholly or in part) without giving a reason. If your Application is rejected, the Issuer will return your Investment Amount (without interest) to you. The Issuer also reserves the right to extend the offer or at any time to close the offer early. If the Issuer decides that it will accept an Application, acceptance of your offer will take place on the Issue Date. Within 10 Business Days after 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 the MLI.

Investing through a master trust or wrap account

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

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

Who may apply for the MLI?

Applications for the MLI are open to:

- Australian residents;

- non-residents of Australia;
- companies registered in Australia; or
- trust entities,

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

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

Applicants are bound by the Terms when they make an Application

The MLI is issued by Citi on the Terms set out in Section 10 of this PDS. Applicants should ensure that they 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 Citigroup Pty Limited).

Citi requires the following information for each investor category to satisfy its client verification requirements.

Please refer to the appropriate investor category when submitting your Application Form.

(a) Private Individual Applicants

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

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

(b) Company Applications or Corporate Trustee Applicants

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

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

(c) Individual Trustee or Partnership Applicants

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

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

In all cases, documents must either be an original, or a certified copy of an original. 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* (Cth));
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* (Cth));
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* (Cth));
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; or
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 the MLI. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

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

How to complete the Application Form

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

A. Applicant Details:

Please tick the appropriate box to indicate whether you are a resident or a non-resident for Australian tax purposes.

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 of each Applicant. Please note that a PO Box is not accepted.

B. Tax File Number, Exemption Category 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 may 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 Computershare Investor Services Pty Limited 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 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 investment details and the number of Units you wish to apply for and write the Investment Amount in the spaces provided. The Investment Amount is the dollar amount that you wish to invest (expressed in the corresponding Denomination for either the AUD Series or USD Series) and must be for an amount equal to, or greater, than the Minimum Investment Amount specified in the Term Sheet. If the correct amount is not available to us as cleared funds by the Offer Closing Time the Application will be rejected. You must attach a cheque to your Application Form made payable to "MLI TRUST A/C" for the AUD Series or "CGMA MLI USD TRUST A/C" for the USD Series and crossed "Not Negotiable" for an amount equal to the Investment Amount. Please tick the box to acknowledge you have attached a cheque for the correct series.

F. Settlement Account Details:

Please provide the account details of the bank account that you would like us to make all payments to in relation to the MLI (such as any payment due to you at Maturity). If you do not complete this section, we will pay any amounts that are due to you by cheque made payable to you and sent to the address nominated by you on the Application Form under Postal Address.

G. Tracking of Application:

Please indicate how you found out about the MLI by ticking the appropriate box.

H. & I. Applicant's Declaration and 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 the Offer Closing Date. Return the Application Form with cheque(s) attached to:

Structured Products Support
MLI Autocall (MLI 2010 – 05) Offer
Citigroup Global Markets Australia Pty Limited
GPO Box 557 Sydney NSW 2001

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APPLICATION FORM – MLI AUTOCALL (MLI 2010 – 05) OFFER

APPLICATIONS CLOSE AT 5:00 PM SYDNEY TIME ON 25 MAY 2010

This Application Form is to be used for investing in the MLI, governed by the Terms set out in the PDS dated 27 April 2010. Capitalised terms in the Application Form will have the same meaning as given to them in the PDS (unless otherwise defined in this Application Form). If this PDS is distributed electronically, then those receiving it electronically should note that Applicants can only be accepted by the Issuer if the Issuer receives a completed, current Application Form which accompanied the electronic or paper copy of this PDS dated 27 April 2010. Paper copies of this PDS (with attached Application Form and Investor Sale Form) are available from the Issuer free on request.

PLEASE RETURN THIS APPLICATION FORM TOGETHER WITH YOUR PAYMENT TO YOUR STOCKBROKER, FINANCIAL ADVISER, OR ALTERNATIVELY SEND TO:

**Structured Products Support
MLI Autocall (MLI 2010 – 05) Offer
Citigroup Global Markets Australia Pty Limited
GPO Box 557
Sydney NSW 2001**

FINANCIAL ADVISER / BROKER DETAILS (TO BE COMPLETED BY YOUR FINANCIAL ADVISER / BROKER)

	<p>FINANCIAL ADVISER/BROKER Stamp Please note: by stamping your broker stamp you are hereby representing and warranting to Citigroup Global Markets Australia Pty Limited ("Citi") (AFSL 240992) that you have complied with the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth) and rules of Australia and any other applicable law or regulation, in your collection and verification of required information and permit Citi to rely on this customer identification and verification (including granting Citi reasonable access to records) for the purposes of Citi fulfilling its legal obligations.</p>
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Licensee	Adviser company name

Adviser Name	Adviser email address

Adviser postal address			
PO Box or Street No. & Name		State	Postcode
Suburb			
Country			

Adviser work number ()	Adviser fax number ()	Adviser mobile number
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INVESTOR DOCUMENTATION (TO BE COMPLETED BY PRIVATE INDIVIDUAL APPLICANTS ONLY)

I/we have attached the required documents as specified in "Client verification information" in Section 11 of the PDS.

A APPLICANT DETAILS (TO BE COMPLETED BY ALL APPLICANTS)

I/We apply for the MLI as indicated in this Application Form on the terms set out in the PDS, Terms and this Application Form.

Applicant 1 Details (Individual, Joint, Trust, Company and Superannuation Applicants)

I am a resident and I have provided my TFN or exemption details below. If not, I understand that tax may be withheld at the maximum rate.

I am a non-resident and my address outside Australia has been provided below. Should an overseas address not be provided, I understand that tax may be withheld at the maximum rate.

Name	Date of Birth
	D D M M Y Y

Address or registered office (Please note that PO Box is not accepted)

Account name (if applicable)
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Applicant 2 Details (Individual, Joint, Trust, Company and Superannuation Applicants)

- I am a resident and I have provided my TFN or exemption details below. If not, I understand that tax may be withheld at the maximum rate.
- I am a non-resident and my address outside Australia has been provided below. Should an overseas address not be provided, I understand that tax may be withheld at the maximum rate.

Name Date of Birth

	D D M M Y Y
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Address or registered office **(Please note that PO Box is not accepted)**

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Account name (if applicable)

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

Applicant 1

<		>
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Applicant 2

<		>
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C POSTAL ADDRESS FOR CORRESPONDENCE

PO Box or Street No. & Name	State	Postcode
Suburb		
Country		

D CONTACT DETAILS

Contact Name

Daytime Telephone ()	After Hours Phone ()	Mobile number
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Email address

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E INVESTMENT DETAILS AND PAYMENT DETAILS (TO BE COMPLETED BY ALL APPLICANTS)

Example: Series	(A) Number of Units	(B) Issue Price	(C) = (A x B) Investment Amount
AUD	1 0 0 , 0 0 0	AUD 1.00	A U D 1 0 0 , 0 0 0
Series	(A) Number of Units	(B) Issue Price	(C) = (A x B) Investment Amount

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

F SETTLEMENT ACCOUNT DETAILS (THE ISSUER WILL PAY ALL AMOUNTS OWED TO YOU INTO THIS ACCOUNT)

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

Name of Bank or Financial Institution	Account Title or Name
Branch Number	Account Number

For the purposes of the instructions given above, you should specify your bank account details here. The bank account must be in the same name as the name inserted above in the "Applicant Details". Third party payments will not be accepted.

G TRACKING OF APPLICATION (HOW DID YOU FIND OUT ABOUT THE MLI?)

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

Representations, warranties and indemnity

I/We represent and warrant that:

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

Privacy Declaration

I/We have read and understood the Privacy Statement in Section 9 of the PDS and agree that information about me/us written on this form will not be collected, used or disclosed for any purpose other than for the purposes stated in the PDS or as otherwise permitted under the *Privacy Act 1998* (Cth). Where I/we have provided information about any other individual, I/we will make that individual aware of the provisions of the Privacy Statement.

The Issuer would like to keep in touch with you about future investment opportunities that may be of interest. Please tick this box if you wish to be contacted for this purpose.

I/we wish to be contacted by the Issuer about investment opportunities in the future.

General Declaration

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

I/we acknowledge that the MLI:

- (i) is not a deposit or other liability of any insured depository institution (including Citibank, N.A. and Citigroup Pty Limited);
- (ii) is subject to investment risks, including the possible loss of the principal amount invested in the event of Early Maturity or if a Knock-In Event occurs, and possible delays in payment;
- (iii) is not issued or guaranteed by Citibank, N.A. or Citigroup Pty Limited and Citibank, N.A. and Citigroup Pty Limited do not stand behind the capital value and/or performance of the MLI; and
- (iv) Section 8 of the PDS ("Tax Considerations") is provided only for the benefit of the Issuer and is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. Investors must seek their own independent advice on the taxation implications relevant to their own circumstances before making any investment decision.

I/we declare that all details in this Application Form are true and correct and I/we acknowledge that the Issuer may, in its absolute discretion, refuse my/our Application for the relevant series.

I/we acknowledge that I/we have read and understood the declarations set out above in this Application Form and by signing below I/we agree to be bound by them and make the declarations contained therein. I/we agree to indemnify the Issuer and any of its related bodies corporate against any loss, liability, damage, claim, cost or expense incurred as a result, directly or indirectly, of any such declaration set out in this Application Form proving to be untrue or incorrect.

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Directory

Issuer

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

Broker

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

Registrar

Computershare Investor Services Pty Limited
60 Carrington Street
Sydney NSW 2000

Legal Advisor

Freehills
MLC Centre
Martin Place
Sydney NSW 2000

Taxation Adviser

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

CitiFirst

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

CitiFirst – putting you first

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

CitiFirst – first in smart investments

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

CitiFirst – get there first



CitiFirst Protection
Full capital protection

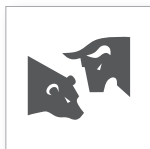


CitiFirst Performance
Some capital protection



CitiFirst Opportunity
No capital protection

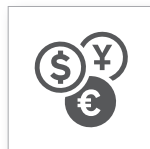
CitiFirst is the family name for Citi's offering of warrants, turbos, certificates, funds and notes. Tailored to meet the needs of a broad range of investors, these smart investment solutions fall into three categories, each with a defined level of capital protection.



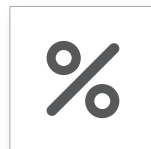
Equities



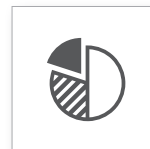
Commodities



Currencies



Interest Rates



Alternative Investments

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

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

