

**\$1,000,000,000**

## **4.300% Subordinated Notes due 2026**

The subordinated notes will mature on November 20, 2026 and will bear interest at a fixed rate equal to 4.300% per annum. Interest on the notes is payable semiannually on the 20th day of each, May and November commencing May 20, 2015. The notes may not be redeemed prior to maturity unless changes involving United States taxation occur which could require Citigroup Inc. ("Citigroup") to pay additional amounts as described under "Description of Notes."

The subordinated notes will rank subordinate and junior in right of payment to Citigroup's senior indebtedness, as described in "Description of Subordinated Notes — Subordination" in this prospectus supplement. The notes were offered globally for sale in the United States, Europe, Asia and elsewhere where it is lawful to make such offers. The Luxembourg Commission de Surveillance du Secteur Financier (the "CSSF") is the competent authority in Luxembourg for the purpose of Directive 2003/71/EC, as amended by Directive 2010/73/EU (the "Prospectus Directive"), and the Luxembourg law on prospectuses for securities of July 10, 2005, as amended by law dated July 3, 2012 (the "Luxembourg Law"), for the purpose of approving this prospectus to give information with regard to the notes. Application has been made in order for the notes to be admitted to listing on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, which is an EU regulated market within the meaning of Directive 2004/39/EC (the "EU regulated market of the Luxembourg Stock Exchange"), but Citigroup is not required to maintain this listing. See "Description of Notes — Listing". References in this prospectus to notes being listed (and all related references) shall mean that such notes have been admitted to trading on the EU regulated market of the Luxembourg Stock Exchange and to the official list of the Luxembourg Stock Exchange. This document constitutes a prospectus for the purposes of article 5.3 of the Prospectus Directive. This prospectus as well as the documents incorporated by reference will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

**See the information set forth in this prospectus, including particularly "Risk Factors" beginning on page 9, for information relevant to an investment in the notes.**

Neither the Securities and Exchange Commission nor any state securities commission nor the Luxembourg Stock Exchange has approved or disapproved of these notes or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense. By approving the Prospectus as provided in Article 7(7) of the Luxembourg Law, the CSSF assumes no responsibility as to the economics or financial soundness of an investment in the notes or the quality or solvency of Citigroup.

	<b>Per Note</b>	<b>Total</b>
Public Offering Price .....	99.536%	\$995,360,000
Underwriting Discount .....	0.450%	\$ 4,500,000
Proceeds of Citigroup (before expenses) .....	99.086%	\$990,860,000

Interest on the notes accrues from November 20, 2014. Net proceeds to Citigroup (after expenses) will be approximately \$990,685,000.

The subordinated notes were delivered in book-entry form only through The Depository Trust Company, Clearstream or the Euroclear System on November 20, 2014.

The notes are not deposits or savings accounts but are unsecured debt obligations of Citigroup and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

## **Citigroup**

**BBVA****BNP PARIBAS****Deutsche Bank Securities****HSBC****ING****National Bank of Canada Financial Markets****Nomura****Wells Fargo Securities****Mischler Financial Group, Inc.****MUFG****RBC Capital Markets****Ramirez & Co., Inc.****Scotiabank****TD Securities****Telsey Advisory Group****UBS Investment Bank****The Williams Capital Group, L.P.****ABN AMRO****Apto Partners, LLC****Banca IMI****Blaylock Beal Van, LLC.****CAVU Securities, LLC.****Drexel Hamilton****Guzman & Company****Lebenthal Capital Markets****MFR Securities, Inc.**

October 1, 2015

## TABLE OF CONTENTS

	<u>Page</u>
Responsibility Statement .....	2
Notices .....	3
Summary .....	4
Risk Factors .....	9
Citigroup Inc. ....	12
Documents Incorporated by Reference .....	13
Selected Historical Financial Data .....	16
Ratio of Income to Fixed Charges and Ratio of Income to Combined Fixed Charges Including Preferred Stock Dividends .....	16
Use of Proceeds .....	17
Description of Notes .....	17
United States Tax Documentation Requirements for Non-United States Persons .....	28
United States Federal Income Tax Considerations for Non-United States Holders .....	29
Luxembourg Taxation .....	31
Underwriting .....	34
Forward-Looking Statements .....	35
Description of Debt Securities .....	36
Description of Capital Stock .....	41
Book-Entry Procedures and Settlement .....	42
Directors and Executive Officers of Citigroup Inc. ....	44
Legal Opinions .....	45
General Information .....	46

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You should rely only on the information contained or incorporated by reference in this prospectus. Citigroup has not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Citigroup is not making an offer to sell the notes in any jurisdiction where their offer and sale is not permitted. You should assume that the information appearing in this prospectus, as well as information incorporated by reference, is accurate only as of the date of the applicable document.

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## RESPONSIBILITY STATEMENT

Citigroup accepts responsibility for the information contained in this prospectus and, to the best of its knowledge and belief (which Citigroup has taken all reasonable care to ensure that such is the case) the information in this prospectus is in accordance with the facts and contains no omissions likely to affect its import.

## NOTICES

The distribution or possession of this prospectus in or from certain jurisdictions may be restricted by law. Persons into whose possession this prospectus come are required by Citigroup and the underwriters to inform themselves about, and to observe any such restrictions, and neither Citigroup nor any of the underwriters accepts any liability in relation thereto.

In connection with this issue, Citigroup Global Markets Inc. may as stabilizing manager (or persons acting on behalf of the stabilizing manager) over-allot notes (provided that the aggregate principal amount of notes allotted does not exceed 105% of the aggregate principal amount of the notes) or effect transactions with a view to supporting the market price of the notes at a higher level than that which might otherwise prevail. However, there is no obligation on the stabilizing manager (or persons acting on its behalf) to undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the notes is made and, if begun, may be discontinued at any time but must end no later than the earlier of 30 days after the issuance of the notes and 60 days after the allotment of the notes.

This prospectus is not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted or where the person making the offer or sale is not qualified to do so or to any person to whom it is not permitted to make such offer or sale. See “Underwriting.”

References in this prospectus to “dollars,” “\$” and “U.S. \$” are to United States dollars.

## SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

### Element    Section A - Introduction and Warnings

#### A.1        Warning

Warning that:

- this Summary should be read as an introduction to the Prospectus;
- any decision to invest in the notes should be based on consideration of the Prospectus as a whole by the investor;
- where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
- civil liability attaches only to those persons who have tabled this Summary including any translation thereof, but only if this Summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the notes.

#### A.2        Consent to use prospectus

Not applicable. The offering period has terminated and there should be no further use of this prospectus for resales or by the underwriters.

### Section B - The Issuer

#### B.1        Legal and commercial name

Citigroup Inc. ("the Issuer" or "Citigroup")

#### B.2        Domicile/legal form/legislation/incorporation

Domicile: 399 Park Avenue, New York, New York USA  
 Legal form: corporation  
 Legislation: General Corporation Law of the State of Delaware  
 Incorporation: State of Delaware, USA

#### B.4b      Known trends

Increased levels of required capital and liquidity.

B.5	Organizational structure	Citigroup is the parent company, its principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Banamex, S.A. de C.V., each of which is wholly owned.
B.9	Profit forecasts/estimates	Not applicable. Citigroup does not release profit forecasts or estimates.
B.10	Audit report qualifications	Not applicable. Citigroup's annual financial statements were reported on with unqualified opinions.
B.12	Selected financial statements; material adverse changes; significant changes	The following selected key financial information has been extracted from the consolidated audited financial statements of Citigroup for the fiscal years ended December 31, 2014, 2013, and 2012 and its consolidated unaudited financial statements for the quarterly period ended June 30, 2015 and 2014.

	At or for the Quarterly Period Ended June 30,		At or for the Year Ended December 31,		
	2015	2014	2014	2013	2012
	(dollars in millions, except per share amounts)				
<b>Income Statement Data:</b>					
Total revenues, net of interest expense . . . . .	39,206	39,631	76,882	76,419	69,190
Income from continuing operations . . . . .	9,675	4,206	7,500	13,630	7,818
Net income . . . . .	9,616	4,125	7,313	13,673	7,541
Dividends declared per common share . . . . .	0.06	0.02	0.04	0.04	0.04
<b>Balance Sheet Data:</b>					
Total assets . . . . .	1,829,000	1,910,000	1,842,530	1,880,382	1,864,660
Total deposits . . . . .	908,000	966,000	899,332	968,273	930,560
Long-term debt . . . . .	212,000	227,000	223,080	221,116	239,463
Total stockholders' equity . . . . .	219,440	211,362	210,534	204,339	189,049

There has been no material adverse change in Citigroup's prospects since December 31, 2014, the date of the last audited financial statements except for certain litigation related to the 2008 credit crisis, Korean derivatives, the Lehman Brother's bankruptcy and structured notes, Terra Firma and credit default swaps, and regulatory inquiries into LIBOR manipulation.

Not applicable. There has been no significant change in the financial or trading position of Citigroup since June 30, 2015.

B.13	Recent events	Not applicable. There have been no recent events particular to Citigroup which are to a material extent relevant to the evaluation of its solvency.
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B.14	Dependency on subsidiaries	See Element B.5. Citigroup is the parent company, its principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Banamex, S.A. de C.V., each of which is wholly owned. Citigroup is a holding company and services its obligations primarily by earnings from its operating subsidiaries.
B.15	Issuer's principal activities	Citigroup is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions.
B.16	Ownership and control of the Issuer	Not applicable. Citigroup is not directly or indirectly owned or controlled by any third party or shareholder.
B.17	Ratings	Citigroup has long-term ratings from Fitch Ratings, Moodys Investors Service and Standard and Poors Ratings Services. Fitch: A (outlook stable) S&P: A- (outlook negative) Moodys: Baa2 (outlook stable)  These ratings do not apply to these Notes, as they are not rated.

#### Section C - The Securities

C.1	Type and class of securities offered; security identification number	Subordinated unsecured notes. CUSIP: 172967 JC6 Common Code: 114111082 ISIN: US172967JC62
C.2	Currency	United States dollars
C.5	Restrictions on free transferability	Not applicable. There are no restrictions on free transferability.
C.8	Rights; ranking; limitations to rights	The holders of notes have an interest claim and a redemption claim against the issuer. The notes rank pari passu with all other unsecured subordinated debt. The subordinated notes will rank subordinate and junior in right of payment to Citigroup's Senior indebtedness The Notes cannot be redeemed prior to their stated maturity (except for taxation reasons or upon the occurrence of an event of default). Citigroup will have the right (but not the obligation) to redeem the Notes for taxation reasons if it is required to pay additional amounts on the Notes due to the imposition of U.S. withholding taxes. Events of default that would cause an early redemption of the Notes are Citigroup's failure to pay a required interest payment within a cure period, failure to pay principal when due, failure to observe an indenture covenant within a cure period, and certain events of bankruptcy or insolvency affecting Citigroup.

C.9	Interest rate; payment dates; maturity	See Element C.8. Fixed rate of 4.300% payable semiannually on the 20th of each May and November commencing May 20, 2015. Interest on the notes accrues from November 14, 2014. Maturity: November 20, 2021. The interest rate applicable to the first interest period is 4.300%. Principal of the notes will be paid in a single installment at maturity. The yield of the notes is calculated by dividing the interest rate by the price to the public. Therefore, the initial yield of the notes is approximately 4.320% per annum. The Bank of New York Mellon is the trustee for noteholders.
C.10	Derivative component for interest	See Element C.9. Not applicable, there is no derivative component.
C.11	Distribution in a regulated market	Application has been made for admission to trading on the regulated market, of the Luxembourg Stock Exchange
	Section D - Risks	
D.2	Key risks specific to the Issuer	<p>The ability of Citigroup to fulfill its obligations under the notes is dependent on the earnings of its subsidiaries.</p> <p>Under U.S. banking law, Citigroup may be required to apply its available funds to support its banking subsidiaries, rather than to fulfill its obligations under the notes.</p> <p>Reduction of Citigroup's ratings may reduce the market value and liquidity of the notes.</p> <p>The notes may be fully subordinated to interests held by the U.S. Government in the event of a receivership, insolvency or similar proceeding.</p> <p>Citigroup's operations may be adversely affected by final regulations relating to significant portions of its businesses.</p> <p>Citigroup's ability to effectively compete with other financial institutions may be adversely affected by new regulations.</p> <p>Citigroup's extensive global network subjects it to international and emerging markets risks.</p> <p>Maintaining adequate liquidity depends on numerous factors, some of which are outside Citigroup's control.</p> <p>Uncertainty arising from the continuing Eurozone debt and economic crisis could adversely impact Citigroup's business, results of operations or financial condition.</p> <p>Citigroup's ability to conduct its business could be adversely affected by its failure to maintain required levels of capital.</p> <p>A material part of Citigroup's business involves credit risk.</p>

D.3	Key risks specific to the securities	<p>The subordinated notes will rank subordinate and junior in right of payment to Citigroup's Senior indebtedness. Changes in exchange rates could reduce the market value of the notes and the value of payments on the notes to an investor.</p> <p>Early repayment of notes may expose an investor to reinvestment risk.</p> <p>Legal investment considerations may restrict investments by some investors.</p> <p>Implementation of the EU Savings Directive may affect withholding of tax on notes.</p> <p>A secondary market for the notes may not develop or may not exist throughout the term of the notes.</p>
	Section E - Offer	
E.2b	Reasons for the offering and use of proceeds	General corporate purposes
E.3	Terms and conditions of the offer	The notes were issued on November 20, 2014 and the offering period has therefore ended.
E.4	Interests material to the offering	Certain of the underwriters and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Citigroup in the ordinary course of business.
E.7	Expenses to the investor	Not applicable. Note purchasers may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase. No expenses will be charged to purchasers by the issuer.



## **RISK FACTORS**

### ***Relating to Citigroup***

**The ability of Citigroup to fulfill its obligations under the notes is dependent on the earnings of its subsidiaries.**

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

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

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

**Reduction of Citigroup's ratings may reduce the market value and liquidity of the notes.**

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

**The notes may be fully subordinated to interests held by the U.S. government.**

In the event of a receivership, insolvency or similar proceeding involving Citigroup, including a proceeding under the "orderly liquidation authority" provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the notes may be subordinated to interests held by the U.S. government, including its agencies.

**Citigroup's operations may be adversely affected by final regulations relating to significant portions of its businesses.**

Regulators in the United States and Europe have proposed or adopted numerous new regulations that could restrict Citigroup's businesses and operations. These regulations include, or may include, (a) increased levels of required capital and liquidity, (b) restrictions on derivatives, securitizations and principal transactions, (c) increased costs of compliance and (d) provisions to facilitate orderly resolution of large financial institutions. Adoption of these measures, or others that are not presently known, could adversely affect Citigroup's operations.

**Citigroup's ability to effectively compete with other financial institutions may be adversely affected by new regulations.**

Citigroup continues to be subject to significant regulatory changes and uncertainties both in the United States and the non-U.S. jurisdictions in which it operates. Citigroup may be subject to more stringent regulations, and incur additional compliance costs, compared to its U.S. competitors because of the global nature of its operations or its size. In addition, Citigroup may be subject to more, or more stringent, regulations than its

foreign competitors because of several U.S. regulatory initiatives. Differences in substance and severity of regulations across jurisdictions could significantly reduce Citigroup's ability to compete.

**Citigroup's extensive global network subjects it to international and emerging markets risks.**

Risks associated with a global network include sovereign volatility, political events, foreign exchange controls, limitations on investments, socio-political instability, currency devaluations, nationalization, closure of branches or subsidiaries and confiscation of assets. These risks could place Citigroup's staff and operations in danger and may result in financial losses.

**Maintaining adequate liquidity depends on numerous factors, some of which are outside Citigroup's control.**

As a global financial institution, adequate liquidity and sources of funding are essential to Citigroup's businesses. Liquidity and funding sources can be negatively impacted by factors it cannot control, such as disruptions in the financial markets, negative perceptions about the financial services industry in general or negative investor perceptions of Citigroup's financial position or creditworthiness.

**Uncertainty arising from the continuing Eurozone debt and economic crisis could adversely impact Citigroup's business, results of operations or financial condition.**

Several European countries continue to experience credit deterioration due to weaknesses in their economic and fiscal situations. Concerns have been raised as to the financial, political and legal effectiveness of measures taken to date and the ability of these countries to adhere to austerity, reforms and similar measures. These ongoing conditions have caused, and are like to continue to cause, disruptions in the global and Eurozone financial markets, creating uncertainty and could negatively impact Citigroup's businesses, results of operation or financial condition.

**Citigroup's ability to conduct its business could be adversely affected by its failure to maintain required levels of capital.**

Proposed and adopted regulations would increase the level of capital required to be held by Citigroup, as well as its quality (such as capital required to be held as common equity). Failure to satisfy these new capital requirements could result in restrictions on Citigroup's businesses and permitted activities, which in turn could negatively affect its results of operation.

**A material part of Citigroup's business involves credit risk.**

As a lender to corporations, governments, institutions and consumers, Citigroup's results of operation depend in part upon the ability of borrowers to repay their loans with interest. In the event of a severe downturn in the economic environment, such as a recession, the inability of borrowers to repay could adversely affect Citigroup's results of operation.

***Relating to the Notes***

**The notes are subordinated notes and will rank subordinate and junior in right of payment to Citigroup's senior indebtedness.**

The subordinated notes will rank subordinate and junior in right of payment to Citigroup's senior indebtedness, as described in this prospectus. On a consolidated basis, the aggregate principal amount of senior indebtedness of Citigroup outstanding as of March 31, 2013 was approximately \$197.0 billion. This senior indebtedness consisted of approximately \$163.3 billion of long-term debt, approximately \$12.0 billion of commercial paper and approximately \$21.7 billion of other short-term borrowings.

**Changes in exchange rates could reduce the market value of the notes and the value of payments on the notes to an investor.**

An investment in notes denominated in a currency (the “specified currency”) that is not the currency of the investor’s jurisdiction (the “investor’s currency”) entails risks that are not present in a similar investment in a debt security denominated in the investor’s currency. These risks include:

- The possibility of significant market changes in rates of exchange between the investor’s currency and the specified currency and
- The possibility of significant changes in rates of exchange between the investor’s currency and the specified currency resulting from official redenomination or revaluation of the specified currency or the investor’s currency.

These risks depend on factors over which Citigroup has no control and which may not be readily foreseeable, such as economic events (both national and global), political events and the supply of, and demand for, the relevant currencies.

The rates of exchange between currencies in which notes may be denominated have historically been volatile, and this volatility may be expected in the future. Past fluctuations in particular rates of exchange are not necessarily indicative of future fluctuations that may occur during the term of any note. Depreciation of the specified currency for a particular note against the investor’s currency would result in a reduction of the effective yield of such note below its coupon rate and could result in a substantial loss to the investor at maturity in terms of the investor’s currency.

**Early repayment of notes may expose an investor to reinvestment risk.**

As described under “Description of Notes—Redemption for Tax Purposes”, Citigroup has the right to redeem a series of notes prior to its maturity date in the event of certain changes in U.S. tax laws. In addition, the terms and conditions for a particular series of notes may provide that Citigroup has the right to redeem a series of notes prior to its maturity date at any time or on specified dates. In either event, upon an investor’s receipt of the redemption proceeds for his notes, the investor may not be able to reinvest those proceeds in an investment with a comparable yield to the notes or in an investment of similar or better credit quality.

**Legal investment considerations may restrict investments by some investors.**

The investment activities of certain investors are subject to legal investment laws and regulations, or to review or approval by governmental authorities. Each potential investor should consult its advisors to determine whether and to what extent (a) a particular series of notes is a legal investment for it, (b) such series can be used as collateral for borrowings, pledges or repurchase transactions and (c) any other consequences of a proposed investment in notes. Institutions that are subject to risk-based capital or similar rules should consult their advisors or regulators to determine the treatment of a particular series of notes under such rules.

**EU Directive on the Taxation of Savings Income**

As of the date of this prospectus, under the European Council Directive 2003/48/EC (the “Savings Directive”) on the taxation of savings income, as amended, Member States of the European Union are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain types of entities called “residual entities” within the meaning of article 4.2 of the Savings Directive (the “Residual Entities”), established in that other Member State. For a transitional period, however, Austria, and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at 35%. In the case of Luxembourg, the recipient of the interest payment may opt for one of the two information exchange procedures available instead of the application of the above withholding system.

The transitional period is to terminate at the end of first full fiscal year following agreement by certain non-European Union countries to the exchange of information relating to such payment. On April 10, 2013, Luxembourg officially announced that it will no longer apply the withholding tax system from January 1, 2015 and will provide details of payment of interest (or similar income) as from this date.

**A secondary market for a series of notes may not develop or may not exist throughout the term of any series of notes.**

Series of notes will generally have no established trading market when issued and one may never develop. If a market does develop, it may be of limited duration or it may not provide sufficient liquidity for investors to be able to sell their notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed trading market.

**CITIGROUP INC.**

Citigroup Inc. is a global diversified financial services holding company whose businesses provide a broad range of financial products and services to consumers, corporations, governments and institutions. Citigroup has some 200 million customer accounts and does business in over 160 countries. Citigroup's objects and purposes are to "engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware", as stated in Article THIRD of Citigroup's Restated Certificate of Incorporation. Citigroup's business is conducted through more than 2,000 subsidiaries and affiliates. As Citigroup is the parent company, its activities are conducted through the Global Consumer Banking, Institutional Clients Group (ICG) and Citi Holdings business segments. Its businesses conduct their activities across the North America, Latin America, Asia and Europe, Middle East and Africa (EMEA) regions. Citigroup's principal subsidiaries are Citibank, N.A., Citigroup Global Markets Inc. and Grupo Financiero Banamex, S.A. de C.V., each of which is a wholly owned, indirect subsidiary of Citigroup. Citigroup was incorporated on March 8, 1988 under the General Corporation Law of the State of Delaware as a corporation with perpetual duration with certificate number 2154254.

Citigroup is a holding company and services its obligations primarily with dividends and advances that it receives from subsidiaries. Citigroup's subsidiaries that operate in the banking and securities business can only pay dividends if they are in compliance with the applicable regulatory requirements imposed on them by federal and state bank regulatory authorities and securities regulators. Citigroup's subsidiaries may be party to credit agreements that also may restrict their ability to pay dividends. Citigroup currently believes that none of these regulatory or contractual restrictions on the ability of its subsidiaries to pay dividends will affect Citigroup's ability to service its own debt. Citigroup must also maintain the required capital levels of a bank holding company before it may pay dividends on its stock. Each of Citigroup's major operating subsidiaries finances its operations on a stand-alone basis consistent with its capitalization and ratings.

Under longstanding policy of The Board of Governors of the Federal Reserve System, a bank holding company is expected to act as a source of financial strength for its subsidiary banks and to commit resources to support such banks. As a result of that policy, Citigroup may be required to commit resources to its subsidiary banks.

Citigroup has been assigned long-term unsecured senior debt ratings of "A-" by Standard & Poors, "Baa2" by Moody's Investors Service and "A" by Fitch, S&P, Moody's and Fitch are established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"). S&P, Moody's and Fitch appear on the latest update of the list of registered credit rating agencies (as of 7 May 2014) on the ESMA website <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

Standard and Poors has stated that a rating in the category "A" indicates a "strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances".

Moody's Investors Service has stated that "obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics". Fitch has stated that "'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings."

The principal office of Citigroup is located at 399 Park Avenue, New York, New York 10022, and its telephone number is (212) 559-1000.

### **Citigroup's Businesses**

*Global Consumer Banking.* The Global Consumer Banking segment includes a global, full-service consumer franchise delivering a wide array of banking, lending, insurance and investment services through a network of local branches, offices, and electronic delivery systems. This segment includes retail banking, local commercial banking and Citi-branded cards in North America, EMEA, Latin America and Asia, MasterCard, VISA and America Express, investment services, branch-based mortgage consultants and financial advisers.

*Institutional Clients Group.* The businesses in the ICG segment include the Securities and Banking group, which provides investment banking, lending, private equity structured products, hedge funds, managed futures and the private bank, and the Transaction Services group, which provides cash management, trade services, custody and fund services, clearing services and agency and trust services.

*Citi Holdings.* The Citi Holdings segment is comprised of (a) Brokerage and Asset Management, which includes investment in and ongoing equity in the earnings of the Morgan Stanley Smith Barney joint venture; (b) Local Consumer Lending, which includes some consumer lending such as residential and commercial real estate, auto, student and personal loans; retail partners cards; Primerica Financial Services, and certain international lending (including Western Europe retail banking and cards); and (c) the Special Asset Pool, which includes certain institutional and consumer bank portfolios.

### **DOCUMENTS INCORPORATED BY REFERENCE**

*The following documents relating to Citigroup, and its subsidiaries Citicorp and Citibank, N.A., are incorporated by reference in, and form part of, this prospectus:*

- (1) the 2014 Annual Report of Citigroup (the "Annual Report") (which contains its most recently published audited consolidated financial statements relating to Citigroup's financial position as of December 31, 2014 and 2013 and its results of operation and cash flows for each of the 2014, 2013 and 2012 fiscal years) filed with the U.S. Securities and Exchange Commission (the "Commission");
- (2) the 2013 Annual Report of Citigroup (the "2013 Report") (which contains its most recently published audited consolidated financial statements relating to Citigroup's financial position as of December 31, 2013 and 2012 and its results of operation and cash flows for each of the 2013, 2012 and 2011 fiscal years) filed with the U.S. Securities and Exchange Commission (the "Commission"); and
- (3) the quarterly interim report for the period ended June 30, 2015 (the "Quarterly Report") of Citigroup (which contains its unaudited consolidated interim financial statements for such period).

Information set forth in these documents that is not included in the cross-reference list below is considered to be additional information that is not required by the relevant schedules of Commission Regulation (EC) 809/2004.

The following information appears on the pages of these documents as set out below:

- 1) audited consolidated financial information of Citigroup for the fiscal year ended 31, December 2014:
 

(a) statement of income	Set out on pages 132 and 133 of the Annual Report.
(b) balance sheet	Set out on pages 135 and 136 of the Annual Report.
(c) statement of changes in stockholder's equity	Set out on pages 137 and 138 of the Annual Report.
(d) statement of cash flow	Set out on pages 139 and 140 of the Annual Report.
(e) notes	Set out on pages 141 to 299 of the Annual Report.
  
- 2) audited consolidated financial information of Citigroup for the fiscal year ended 31, December 2013:
 

(a) statement of income	Set out on page 153 of the 2013 Report.
(b) balance sheet	Set out on pages 156 and 157 of the 2013 Report.
(c) statement of changes in stockholder's equity	Set out on page 158 of the 2013 Report.
(d) statement of cash flow	Set out on pages 160 and 161 of the 2013 Report.
(e) notes	Set out on pages 162 to 328 of the 2013 Report.
  
- 3) unaudited consolidated interim financial information of Citigroup for the period ended June 30, 2015:
 

(a) statement of income	Set out on page 101 to 103 of the Quarterly Report.
(b) balance sheet	Set out on pages 104 and 105 of the Quarterly Report.
(c) statement of changes in stockholder's equity	Set out on page 106 of the Quarterly Report.
(d) statement of cash flow	Set out on pages 108 and 109 of the Quarterly Report.
(e) notes	Set out on pages 110 to 229 of the Quarterly Report.
  
- 4) auditor's reports relating to Citigroup:
 

(a) auditor's report covering years ending December 31, 2014 and 2013	Set out on page 130 of the Annual Report
(b) auditor's report covering years ending December 31, 2013 and 2012	Set out on page 151 of the 2013 Report
  
- 5) other information relating to Citigroup:
 

(a) description of the principal activities of Citigroup	Set out on pages 2 to 7 and 30 to 90 of the Annual Report
(b) description of the principal markets in which Citigroup competes	Set out on pages 13 to 29 of the Annual Report
(c) description of litigation and other legal matters involving Citigroup	Set out on pages 227 to 229 of the Quarterly Report.

The reports referred to above, as well as other reports, have been filed by Citigroup with the Commission and will be available to the public on the Commission's Internet Site (address: <http://www.sec.gov>). The reports have also been filed with the Commission de Surveillance du Secteur Financier. Please note, the internet site of the Commission does not form part of the prospectus. These reports are also available on Citigroup's website ([www.citigroup.com/citi/investor/sec.htm](http://www.citigroup.com/citi/investor/sec.htm)). Citigroup's restated certificate of incorporation and bylaws are available on its website ([www.citigroup.com/citi/investor/corporate\\_governance.html](http://www.citigroup.com/citi/investor/corporate_governance.html)).

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

Citigroup Document Services  
540 Crosspoint Parkway  
Getzville, NY 14068  
(877) 936-2737 (toll free)  
(716) 730-8055 (outside the U.S.)

Citigroup will, at the specified offices of the paying agents, make available free of charge a copy of this prospectus (and any document incorporated by reference in this prospectus). Requests for such documents should be directed to the specified office of any paying agent or the specified office of the listing agent in Luxembourg. Such documents will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).



## SELECTED HISTORICAL FINANCIAL DATA

Citigroup is providing in this prospectus its selected historical financial information. Citigroup derived this information from its consolidated financial statements for each of the periods presented. The information is only a summary and should be read together with the financial information incorporated by reference in this prospectus, copies of which can be obtained free of charge. See “Documents Incorporated by Reference” above.

The consolidated audited annual financial statements of Citigroup for the fiscal years ended December 31, 2014, 2013 and 2012, and its consolidated unaudited financial statements for the quarterly period ended June 30, 2015 and 2014, are obtainable free of charge at the office of Citigroup’s listing agent.

	At or for the Quarterly Period Ended June 30,		At or for the Year Ended December 31,		
	2015	2014	2014	2013	2012
	(dollars in millions, except per share amounts)				
<b>Income Statement Data:</b>					
Total revenues, net of interest expense .....	\$ 39,206	\$ 39,631	\$ 76,882	\$ 76,419	\$ 69,190
Income from continuing operations ....	9,675	4,206	7,500	13,630	7,818
Net income .....	9,616	4,125	7,313	13,673	7,541
Dividends declared per common share .....	0.06	0.02	0.04	0.04	0.04
<b>Balance Sheet Data:</b>					
Total assets .....	\$1,829,000	\$1,910,000	\$1,842,530	\$1,880,382	\$1,864,660
Total deposits .....	908,000	966,000	899,332	968,273	930,560
Long-term debt .....	212,000	227,000	223,080	221,116	239,463
Total stockholders' equity .....	219,440	211,362	210,534	204,339	189,049

## RATIO OF INCOME TO FIXED CHARGES AND RATIO OF INCOME TO COMBINED FIXED CHARGES INCLUDING PREFERRED STOCK DIVIDENDS

The following table shows (1) the consolidated ratio of income to fixed charges and (2) the consolidated ratio of income to combined fixed charges including preferred stock dividends of Citigroup for each of the three most recent fiscal years and for the period ended June 30, 2015.

	Quarter Ended June 30, 2015	Year Ended December 31,		
		2014	2013	2012
Ratio of income to fixed charges (excluding interest on deposits) .....	4.76	2.70	2.87	1.58
Ratio of income to fixed charges (including interest on deposits) .....	3.20	2.02	2.17	1.37
Ratio of income to combined fixed charges including preferred stock dividends (excluding interest on deposits) .....	4.45	2.60	2.84	1.58
Ratio of income to combined fixed charges including preferred stock dividends (including interest on deposits) .....	3.09	1.98	2.16	1.37



## USE OF PROCEEDS

Citigroup will use the net proceeds (after expenses) it receives from the issue of the notes (approximately \$ ) for general corporate purposes, which may include (1) capital contributions to subsidiaries of Citigroup and/or (2) the reduction or refinancing of borrowings of Citigroup or its subsidiaries. Citigroup expects to incur additional indebtedness in the future.

## DESCRIPTION OF NOTES

*The following description of the particular terms of the notes supplements the description of the general terms set forth under “Description of Debt Securities,” beginning on page 31. It is important for you to consider all the information contained in this prospectus before making your decision to invest in the notes.*

### General

The notes described in this prospectus are a series of subordinated debt securities issued under Citigroup’s subordinated debt indenture. The notes were initially limited to an aggregate principal amount of \$1,000,000,000.

The notes were issued only in fully registered form without coupons, in denominations of \$1,000 and whole multiples of \$1,000 in excess thereof. All the notes are unsecured obligations of Citigroup and will rank equally with all other unsecured senior indebtedness of Citigroup, whether currently existing or hereafter created.

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

The notes are not redeemable prior to maturity, except upon the occurrence of the tax events described below and upon the occurrence of an event of default. See “— Redemption for Tax Purposes” on pages 26 and 27 and “Description of Debt Securities—Events of Default and Defaults” on page 37. The redemption price for the notes will be 100% of the principal amount thereof plus accrued interest to the date of the redemption. The notes are not subject to any sinking fund.

The notes were issued on November 20, 2014. The notes will mature on November 20, 2026.

The notes will bear interest at a fixed rate of 4.300%. Interest on the notes will be due semi-annually on the 6th of each May and November, commencing May 20, 2015.

The amount of the interest payment on May 20, 2015 per \$1,000 principal amount will be \$21.50.

The yield of the notes is calculated by dividing the interest rate by the price to the public. Therefore, the initial yield of the notes is approximately 4.320% per annum.

Interest will be calculated on the basis of a 360-day year comprised of twelve 30 day months.

Payments of principal and interest on the notes issued in book-entry form will be made as described below under “— Book-Entry Notes.” Payments of principal and interest on notes issued in definitive form, if any, will be made as described below under “— Definitive Notes and Paying Agents.”

If an interest payment date for the notes falls on a day that is not a Business Day, the payment due on that date will be postponed to the next succeeding Business Day, unless that day falls in the next calendar month, in which case the payment will be made on the preceding Business Day. If the maturity date for the notes falls on a

day that is not a Business Day, the payment due on that date will be postponed to the next succeeding Business Day and no further interest will accrue in respect of such postponement. For this purpose, “Business Day” means any day which is a day on which commercial banks settle payments and are open for general business in New York City.

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

### **Listing and Admission to Trading**

Application has been made for the notes to be admitted to listing on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

The European Commission has adopted a Directive of the European Parliament and of the Council (2004/109/EC), the “Transparency Directive”) on the harmonization of transparency requirements relating to financial information of issuers whose securities are admitted to trading on a regulated market in the European Union, such as the Luxembourg Stock Exchange. If the Transparency Directive or any successor directive is implemented in Luxembourg in a manner that would require Citigroup to publish its financial statements according to accounting principles or standards that are materially different from U.S. generally accepted accounting principles or that would otherwise impose requirements on Citigroup that it in good faith determines are unduly burdensome, Citigroup may seek to de-list the notes. Citigroup will use its reasonable best efforts to obtain an alternative admission to listing, trading and/or quotation for the notes by another listing authority, exchange and/or system within or outside the European Union, as it may decide. If such an alternative admission is not available to Citigroup or is, in Citigroup’s opinion, unduly burdensome, an alternative admission may not be obtained. Notice of any de-listing and/or alternative admission will be given as described in “— Notices” below. Any de-listing will be made in compliance with the rules of the Luxembourg Stock Exchange.

### **Subordination**

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

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

- securities of Citigroup or any other corporation provided for by a plan of reorganization or readjustment that are subordinate, at least to the same extent that the subordinated notes are subordinate to Senior Indebtedness; and
- payments made from a defeasance trust as described below.

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to Citigroup, its creditors or its property, then all Senior indebtedness must be paid in full before any payment may be made to any holders of subordinated notes. Holders of subordinated notes must return and deliver any payments received

by them, other than in a plan of reorganization or through a defeasance trust as described in the accompanying prospectus, directly to the holders of Senior Indebtedness until all Senior Indebtedness is paid in full.

In addition, the subordinated notes may be fully subordinated to interests held by the U.S. government in the event of a receivership, insolvency or similar proceeding, including a proceeding under the “orderly liquidation authority” provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

“Senior Indebtedness” means:

- (1) the principal, premium, if any, and interest in respect of (A) indebtedness for money borrowed and (B) indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued by Citigroup, including all indebtedness (whether now or hereafter outstanding) issued under an indenture dated March 15, 1987, between Citigroup and The Bank of New York Mellon, as successor trustee, as the same has been or may be amended, modified or supplemented from time to time;
- (2) all capital lease obligations of Citigroup;
- (3) all obligations of Citigroup issued or assumed as the deferred purchase price of property, all conditional sale obligations of Citigroup and all obligations of Citigroup under any conditional sale or title retention agreement, but excluding trade accounts payable in the ordinary course of business;
- (4) all obligations, contingent or otherwise, of Citigroup in respect of any letters of credit, bankers acceptances, security purchase facilities or similar credit transactions;
- (5) all obligations of Citigroup in respect of interest rate swap, cap or other agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts or other similar agreements;
- (6) all obligations of the type referred to in clauses (1) through (5) above of other persons for the payment which Citigroup is responsible or liable as obligor, guarantor or otherwise; and
- (7) all obligations of the type referred to in clauses (1) through (6) above of other persons secured by any lien on any property or asset of Citigroup, whether or not such obligation is assumed by Citigroup;

except that Senior Indebtedness does not include:

- (A) any other indebtedness issued under the subordinated debt indenture;
- (B) all indebtedness (whether now or hereafter outstanding) issued to a Citigroup Trust under (i) the indenture, dated as of October 7, 1996, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as trustee, as the same has been or may be amended, modified, or supplemented from time to time, (ii) the indenture, dated as of July 23, 2004, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, as trustee, as the same has been or may be amended, modified, or supplemented from time to time, and (iii) the indenture, dated as of July 30, 2009, between Citigroup and The Bank of New York Mellon, as trustee, as the same has been or may be amended, modified, or supplemented from time to time (collectively, the “junior subordinated debt indentures”);
- (C) all indebtedness (whether now or hereafter outstanding) issued to a Citigroup Trust under (i) the indenture, dated as of June 30, 2006, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A., as trustee, as the same has been or may be amended, modified, or supplemented from time to time; (ii) the indenture, dated as of September 15, 2006, between Citigroup and The Bank of New York Mellon, as successor trustee to JPMorgan Chase Bank, N.A., as the same has been or may be amended, modified, or supplemented from time to time; and (iii) the indenture, dated as of June 28, 2007, between Citigroup and The Bank of New York Mellon

(formerly The Bank of New York), as trustee, as the same has been or may be amended, modified, or supplemented from time to time (collectively, the “junior junior subordinated debt indentures”);

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

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

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

## **Book-Entry Notes**

### *Book-Entry Notes; The Depository Trust Company*

Except under the limited circumstances described below, all notes will be book-entry notes. This means that the actual purchasers of the notes will not be entitled to have the notes registered in their names and will not be entitled to receive physical delivery of the notes in definitive (paper) form. Instead, upon issuance, all the notes will be represented by one or more fully registered global notes.

Each global note was deposited with The Depository Trust Company (“DTC”), a securities depository, and was registered in the name of DTC’s nominee, Cede & Co. No global note representing book-entry notes may be transferred except as a whole by DTC to a nominee of DTC, or by a nominee of DTC to another nominee of DTC. Thus, DTC will be the only registered holder of the notes and will be considered the sole representative of the beneficial owners of the notes for purposes of the indenture. DTC is located at 55 Water Street, New York, New York.

The registration of the global notes in the name of Cede & Co. will not affect beneficial ownership and is performed merely to facilitate subsequent transfers. The book-entry system, which is also the system through which most publicly traded common stock is held in the United States, is used because it eliminates the need for physical movement of securities certificates. The laws of some jurisdictions, however, may require some purchasers to take physical delivery of their notes in definitive form. These laws may impair the ability of holders to transfer book-entry notes.

Purchasers of notes may hold interests in the global notes only through DTC, if they are participants in such system. Purchasers may also hold interests indirectly through securities intermediaries — such as banks, brokerage houses and other institutions that maintain securities accounts for customers — that have accounts with DTC or its nominee (“participants”). Purchasers of notes can hold interests in the global notes only through

Clearstream International, or through Euroclear Bank S.A./N.V., as operator of the Euroclear System, if they are participants in these systems or indirectly through organizations that are participants in these systems.

Because DTC will be the only registered owner of the global notes, Clearstream and Euroclear will hold positions through their respective U.S. depositaries, which in turn will hold positions on the books of DTC. Citibank, N.A., 388 Greenwich Street, New York, New York, will act as U.S. depositary for Clearstream, and JPMorgan Chase Bank, 237 Park Avenue, New York, New York, will act as U.S. depositary for Euroclear. For information on how accounts of ownership of notes held through DTC are recorded, please refer to “Book-Entry Procedures and Settlement” below. The address for Clearstream is New Borsenstrasse 8, 60487 Frankfurt am Main, Germany, and for Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

Citigroup, the trustee and all of their agents will not be liable for the accuracy of, or responsible for maintaining, supervising or reviewing, DTC’s records or any participant’s records relating to book-entry notes. Citigroup, the trustee and all of their agents also will not be responsible or liable for payments made on account of the book-entry notes.

In this prospectus, unless and until definitive (paper) notes are issued to the beneficial owners as described below, all references to “holders” of notes shall mean DTC. Citigroup, the trustee and any paying agent, transfer agent or registrar may treat DTC as the absolute owner of the notes for all purposes.

Citigroup will make all distributions of principal and interest on their notes to DTC. Citigroup will send all required reports and notices solely to DTC as long as DTC is the registered holder of the notes. All required notices will be published as described under “— Notices” below. DTC and its participants are generally required by law to receive and transmit all distributions, notices and directions from Citigroup and the trustee to the beneficial owners through a chain of intermediaries. Purchasers of the notes will not receive written confirmation from DTC of their purchases. However, beneficial owners of book-entry notes are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the participants or indirect participants through which they entered into the transaction.

Similarly, Citigroup and the trustee will accept notices and directions solely from DTC. Therefore, in order to exercise any rights of a holder of notes under the indenture, each person owning a beneficial interest in the notes must rely on the procedures of DTC and, in some cases, Clearstream or Euroclear. If the beneficial owner is not a participant in the applicable system, then it must rely on the procedures of the participant through which that person owns its interest. DTC has advised Citigroup that it will take actions under the indenture only at the direction of its participants, which in turn will act only at the direction of the beneficial owners. Some of these actions, however, may conflict with actions DTC takes at the direction of other participants and beneficial owners.

Notices and other communications by DTC to participants, by participants to indirect participants, and by participants and indirect participants to beneficial owners will be governed by arrangements among them.

Book-entry notes may be more difficult to pledge because of the lack of a physical note. Beneficial owners may experience delays in receiving distributions on their notes since distributions will initially be made to DTC and must then be transferred through the chain of intermediaries to the beneficial owner’s account.

For background information on DTC, please refer to “Book-Entry Procedures and Settlement” below.

#### *Global Clearance and Settlement Procedures*

Initial settlement for the notes was made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way, in accordance with DTC’s rules, and will be settled in immediately available funds using DTC’s same-day funds settlement system. Secondary market trading between

Clearstream participants and/or Euroclear participants will occur in the ordinary way, in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, and will be settled using the procedures applicable to conventional eurobonds in immediate available funds.

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

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

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

#### *Distributions on Book-Entry Notes*

Citigroup will make all distributions of principal and interest on book-entry notes to DTC. Upon receipt of any payment of principal or interest, DTC will immediately credit the accounts of its participants on its book-entry registration and transfer system. DTC will credit those accounts in proportion to the participants' respective beneficial interests in the principal amount of the global note as shown on the records of DTC. Payments by participants to beneficial owners of book-entry notes will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of those participants.

Distributions on book-entry notes held beneficially through Clearstream will be credited to Clearstream participants, in accordance with Clearstream's rules and procedures, to the extent received by its U.S. depositary.

#### **Definitive Notes and Paying Agents**

If any of the events described under "Book-Entry Procedures and Settlement" occurs, then the beneficial owners will be notified through the chain of intermediaries that definitive notes are available and notice will be published as described below under "— Notices". Beneficial owners of book-entry notes will then be entitled (1) to receive physical delivery in certificated form of definitive notes equal in principal amount to their beneficial interest and (2) to have the definitive notes registered in their names. The definitive notes will be issued in denominations of \$1,000 and whole multiples of \$1,000 in excess of that amount. Definitive notes will be registered in the name or names of the person or persons specified by the depositary in a written instruction to the registrar of the notes. The depositary may base its written instruction upon directions it receives from its



participants. Thereafter, the holders of the definitive notes will be recognized as the “holders” of the notes under the indenture.

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

In the event definitive notes are issued, the holders of definitive notes will be able to receive payments of principal and interest on their notes at the office of Citigroup’s paying agent maintained in London, England and, if the definitive notes are listed on the Official List of the Luxembourg Stock Exchange, at the offices of the paying agent in Luxembourg. Payment of principal of a definitive note may be made only against surrender of the note to one of Citigroup’s paying agents. Citigroup also has the option of making payments of interest by mailing checks to the registered holders of the notes.

Citigroup’s paying agent in London is currently the corporate trust office of Citibank, N.A., located at Citigroup Centre, Canada Square, Canary Wharf, London. Citigroup’s paying agent and transfer agent in Luxembourg is Banque Internationale à Luxembourg S.A., currently located at 69, route d’Esch, L-2953 Luxembourg. As long as the notes are listed on the Luxembourg Stock Exchange, Citigroup will maintain a paying agent and transfer agent in Luxembourg. Any change in the Luxembourg paying agent and transfer agent will be published in London and Luxembourg. See “— Notices.”

In the event definitive notes are issued, the holders of definitive notes will be able to transfer their notes, in whole or in part, by surrendering the notes for registration of transfer at the office of Citibank, N.A., listed above and, so long as definitive notes are listed on the Official List of the Luxembourg Stock Exchange, at the offices of the transfer agent in Luxembourg, duly endorsed by or accompanied by a written instrument of transfer in form satisfactory to Citigroup and the securities registrar. A form of such instrument of transfer will be obtainable at the offices of Citibank, N.A. and the Luxembourg transfer agent. Upon surrender, Citigroup will execute, and the trustee will authenticate and deliver, new notes to the designated transferee in the amount being transferred, and a new note for any amount not being transferred will be issued to the transferor. Such new notes will be delivered free of charge at the offices of Citibank, N.A. or the Luxembourg transfer agent, as requested by the owner of such new notes. Citigroup will not charge any fee for the registration of transfer or exchange, except that it may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer.

## **Notices**

Notices to holders of the notes will be made by first class mail, postage prepaid, to the addresses that appear on the register of Citigroup. So long as the notes are listed on the Official List of the Luxembourg Stock Exchange, notices will also be made by publication in a leading newspaper of general circulation in Luxembourg, which is expected to be the *Luxemburger Wort*. Any notice will be deemed to have been given on the date of publication or, if published more than once, on the date of the first publication. Notices may also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **Payment of Additional Amounts**

### *Obligation to Pay Additional Amounts*

Citigroup will pay additional amounts to the beneficial owner of any note that is a non-United States person in order to ensure that every net payment on such note will not be less, due to payment of U.S. withholding tax, than the amount then due and payable. For this purpose, a “net payment” on a note means a payment by Citigroup or a paying agent, including payment of principal and interest, after deduction for any present or future

tax, assessment or other governmental charge of the United States. These additional amounts will constitute additional interest on the note.

### *Exceptions*

Citigroup will not be required to pay additional amounts, however, in any of the circumstances described in items (1) through (13) below.

- (1) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:
  - having a relationship with the United States as a citizen, resident or otherwise;
  - having had such a relationship in the past or
  - being considered as having had such a relationship.
- (2) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner:
  - being treated as present in or engaged in a trade or business in the United States;
  - being treated as having been present in or engaged in a trade or business in the United States in the past or
  - having or having had a permanent establishment in the United States.
- (3) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld in whole or in part by reason of the beneficial owner being or having been any of the following (as these terms are defined in the Internal Revenue Code of 1986, as amended):
  - personal holding company;
  - foreign personal holding company;
  - foreign private foundation or other foreign tax-exempt organization;
  - passive foreign investment company;
  - controlled foreign corporation or
  - corporation which has accumulated earnings to avoid United States federal income tax.
- (4) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner owning or having owned, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of Citigroup entitled to vote or by reason of the beneficial owner being a bank that has invested in a note as an extension of credit in the ordinary course of its trade or business.

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

- (5) Additional amounts will not be payable to any beneficial owner of a note that is a:
  - fiduciary;
  - partnership;



- limited liability company or
- other fiscally transparent entity

or that is not the sole beneficial owner of the note, or any portion of the note. However, this exception to the obligation to pay additional amounts will only apply to the extent that a beneficiary or settlor in relation to the fiduciary, or a beneficial owner or member of the partnership, limited liability company or other fiscally transparent entity, would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment.

- (6) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the failure of the beneficial owner or any other person to comply with applicable certification, identification, documentation or other information reporting requirements. This exception to the obligation to pay additional amounts will only apply if compliance with such reporting requirements is required by statute or regulation of the United States or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge.
- (7) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is collected or imposed by any method other than by withholding from a payment on a note by Citigroup or a paying agent.
- (8) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later.
- (9) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is imposed or withheld by reason of the presentation by the beneficial owner of a note for payment more than 30 days after the date on which such payment becomes due or is duly provided for, whichever occurs later.
- (10) Additional amounts will not be payable if a payment on a note is reduced as a result of any:
  - estate tax;
  - inheritance tax;
  - gift tax;
  - sales tax;
  - excise tax;
  - transfer tax;
  - wealth tax;
  - personal property tax or
  - any similar tax, assessment, withholding, deduction or other governmental charge.
- (11) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment, or other governmental charge required to be withheld by any paying agent from a payment of principal or interest on a note if such payment can be made without such withholding by any other paying agent.
- (12) Additional amounts will not be payable if a payment on a note is reduced as a result of any tax, assessment or other governmental charge that is required to be made pursuant to any European Union

directive on the taxation of savings income or any law implementing or complying with, or introduced to conform to, any such directive. See “— EU savings Directive” below.

- (13) Additional amounts will not be payable if a payment on a note is reduced as a result of any withholding, deduction, tax, duty assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner of a note (or any financial institution through which the holder or beneficial owner holds the note or through which payment on the note is made) to take any action (including entering into an agreement with the U.S. Internal Revenue Service, or a governmental authority of another jurisdiction if the holder is entitled to the benefits of an intergovernmental agreement between that jurisdiction and the United States) or to comply with any applicable certification, documentation, information or other reporting requirement or agreement concerning accounts maintained by the holder or beneficial owner (or any such financial institution), or concerning ownership of the holder or beneficial owner, or any substantially similar requirement or agreement.
- (14) Additional amounts will not be payable if a payment on a note is reduced as a result of any combination of items (1) through (13) above.

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

#### *Relevant Definitions*

As used in this prospectus, “United States person” means:

- any individual who is a citizen or resident of the United States;
- any corporation, partnership or other entity treated as a corporation or a partnership created or organized in or under the laws of the United States or any political subdivision thereof;
- any estate if the income of such estate falls within the federal income tax jurisdiction of the United States regardless of the source of such income and
- any trust if a United States court is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of the substantial decisions of the trust.

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

### **Redemption for Tax Purposes**

#### *Redemption Procedure*

Citigroup may, at its option, redeem the notes as a whole, but not in part, on not less than 30 nor more than 60 days’ prior notice, only in the circumstances described in items (1) or (2) below under “— Redemption Circumstances.” To redeem, Citigroup must pay a redemption price equal to 100% of the principal amount of the notes, together with accrued interest to the redemption date.

#### *Redemption Circumstances*

There are two sets of circumstances in which Citigroup may redeem the notes in the manner described above under “— Redemption Procedure:”

- (1) Citigroup may redeem the notes if:
- Citigroup becomes or will become obligated to pay additional amounts as described under “— Payment of Additional Amounts” above;

- the obligation to pay additional amounts arises as a result of any change in the laws, regulations or rulings of the United States, or an official position regarding the application or interpretation of such laws, regulations or rulings, which change is announced or becomes effective on or after November 20, 2014; and
  - Citigroup determines, in its business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to it, other than substituting the obligor under the notes or taking any action that would entail a material cost to Citigroup.
- (2) Citigroup may also redeem the notes if:
- any act is taken by a taxing authority of the United States on or after November 20, 2014, whether or not such act is taken in relation to Citigroup or any affiliate, that results in a substantial probability that Citigroup will or may be required to pay additional amounts as described under “— Payment of Additional Amounts” above;
  - Citigroup determines, in its business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to it, other than substituting the obligor under the notes or taking any action that would entail a material cost to Citigroup and
  - Citigroup receives an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that Citigroup will or may be required to pay the additional amounts described under “— Payment of Additional Amounts” above, and delivers to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion Citigroup is entitled to redeem the notes pursuant to their terms.

### **Governing Law**

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

### **Unclaimed Funds**

All funds deposited with the trustee or any paying agent for the payment of principal, interest, premium or additional amounts in respect of the notes that remain unclaimed after November 20, 2028 (*i.e.*, two years after the maturity date of the notes) will be repaid to Citigroup upon its request. Thereafter, any right of any noteholder to such funds shall be enforceable only against Citigroup, and the trustee and paying agents will have no liability therefor.

### **EU Savings Directive**

Under the European Council Directive 2003/48/EC on the taxation of savings income (the “EU Savings Directive”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State. On March 24, 2014, a Council Directive was adopted amending the EU Savings Directive and broadening the scope of the above requirements. One such change is where payments of interest or other similar income are paid to or secured for certain entities or arrangements outside the application of the EU Savings Directive which are beneficially owned by individuals who are resident in a Member State, such payments may be treated as payments to the individuals and the EU Savings Directive will apply. Member States are required to implement legislation giving effect to these changes by January 1, 2016 (which such legislation must apply by January 1, 2017).

## UNITED STATES TAX DOCUMENTATION REQUIREMENTS FOR NON-UNITED STATES PERSONS

### Introduction

The following discussion of United States tax documentation requirements does not deal with all aspects of United States federal income tax withholding or reporting that may be relevant to a beneficial owner of the notes that is a non-United States person. Investors should consult their tax advisors for specific advice concerning the acquisition, ownership and disposition of the notes.

### Documentation Required in Order to Obtain an Exemption from Withholding Tax

A 30% United States federal withholding tax will generally apply to payments of interest on the notes, unless the beneficial owner of a note takes one of the following steps to obtain an exemption from or reduction of the tax. The 30% tax, however, may be allowed as a refund or credit against the beneficial owner's United States federal income tax liability. In addition, if a beneficial owner of a note does not properly provide the required documentation, or if such documentation is not properly transmitted to and received by the United States person required to withhold United States federal income tax, the beneficial owner could, in certain circumstances, be subject to a 28% backup withholding tax, and will not be entitled to any additional amounts from Citigroup described under "Description of Notes — Payment of Additional Amounts" above.

- (1) *Non-United States Persons.* A beneficial owner of a note that is a non-United States person can obtain an exemption from the withholding tax by providing a properly completed Internal Revenue Service ("IRS") Form W-8BEN. This exemption is not available to:
  - a controlled foreign corporation that is directly or indirectly related to Citigroup through stock ownership;
  - a person that actually or constructively owns 10 percent or more of the total combined voting power of all classes of stock of Citigroup that are entitled to vote; or
  - a bank that has invested in the note as an extension of credit in the ordinary course of its trade or business.
- (2) *Non-United States Persons with Effectively Connected Income.* A beneficial owner of a note that is a non-United States person, including a non-United States corporation or bank with a United States branch, that conducts a trade or business in the United States with which the interest income on a note is effectively connected, can obtain an exemption from the withholding tax by providing a properly completed IRS Form W-8ECI.
- (3) *Non-United States Persons Entitled to Income Tax Treaty Benefits.* A beneficial owner of a note that is a non-United States person entitled to the benefits of an income tax treaty to which the United States is a party can obtain an exemption from or reduction of the withholding tax by providing a properly completed IRS Form W-8BEN. The availability and extent of such exemption, however, will depend upon the terms of the particular income tax treaty.

### United States Federal Income Tax Reporting Procedure

*Beneficial Owners.* A beneficial owner of a note is required to submit the appropriate IRS form under applicable procedures to the person through which the owner directly holds the note. For example, if the beneficial owner is listed directly on the books of Euroclear or Clearstream as the owner of the note, the IRS form must be provided to Euroclear or Clearstream, as the case may be.

*Other Persons Through Which a Note is Held.* Each other person through which a note is held must submit, on behalf of the beneficial owner, the IRS form, or in some cases a copy of such form, under applicable procedures through the chain of intermediaries, until the IRS form is received by the United States person that would be required to withhold United States federal income tax from interest on the note. For example, in the case of a note held through Euroclear or Clearstream, the IRS form, or a copy of such form, must be received by

the U.S. depository of such clearing agency. Applicable procedures include additional certification requirements if a beneficial owner of the note provides an IRS Form W-8BEN to any person who is a securities clearing organization, bank, financial institution, custodian, broker, nominee or otherwise acting as an agent for a beneficial noteholder that holds the note on its behalf. In addition, any person who is a securities clearing organization, bank, financial institution, custodian, broker, nominee or otherwise acting as an agent for a beneficial owner must submit IRS Form W-8IMY, or other substitute form deemed acceptable, to provide certification of the validity of the beneficial owner's IRS Form W-8BEN.

*Special Rules May Apply if the Notes are Held by a Foreign Partnership.* In the event that the notes are held by a foreign partnership, special rules may apply in order that payments made on the notes will not be subject to United States federal withholding tax. Holders should consult their tax advisors with respect to the tax consequences to them of the ownership and disposition of the notes through a foreign partnership.

## **UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR NON-UNITED STATES HOLDERS**

The following is a general discussion of United States federal income tax considerations that may be relevant to a beneficial owner of notes that is not a United States person (a "non-United States holder"). The discussion is based on laws, regulations, rulings and decisions now in effect, all of which may change, possibly with retroactive effect. This discussion deals only with beneficial owners that will hold notes as capital assets.

This discussion does not address all of the United States federal income tax considerations that may be relevant to non-United States holders. For example, this discussion does not address tax considerations applicable to investors to whom special tax rules may apply, including:

- banks or other financial institutions;
- tax-exempt entities;
- insurance companies;
- regulated investment companies;
- common trust funds;
- entities that are treated for United States federal income tax purposes as partnerships or other pass-through entities;
- controlled foreign corporations;
- dealers in securities or currencies; or
- persons that will hold the notes as a hedge or in order to hedge against currency risk or as a part of an integrated investment, including a "straddle" or "conversion transaction," comprised of a note and one or more other positions.

Prospective investors should consult their tax advisors in determining the particular United States federal income tax consequences to them of the acquisition, ownership and disposition of the notes, as well as the application of state, local, foreign or other tax laws.

Under current United States federal income tax law:

- withholding of United States federal income tax will not apply to a payment on a note to a non-United States holder, provided that,
  - (1) the holder does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Citigroup entitled to vote and is not a controlled foreign corporation related to Citigroup through stock ownership;

- (2) the beneficial owner provides a statement signed under penalties of perjury that includes its name and address and certifies that it is a non-United States holder in compliance with applicable requirements;
  - (3) neither Citigroup nor its paying agent has actual knowledge or reason to know that the beneficial owner of a note is a United States person; and
- withholding of United States federal income tax will generally not apply to any gain realized on the sale, exchange, retirement or other taxable disposition (collectively, a “disposition”) of a note.

Despite the above, if a non-United States holder is engaged in a trade or business in the United States (or, if certain tax treaties apply, if the non-United States holder maintains a permanent establishment within the United States) and the interest on the notes is effectively connected with the conduct of that trade or business (or, if certain tax treaties apply, attributable to that permanent establishment), such non-United States holder will be subject to United States federal income tax on the interest on a net income basis in the same manner as if such non-United States holder were a United States person. In addition, a non-United States holder that is a foreign corporation that is engaged in a trade or business in the United States may be subject to a 30% (or, if certain tax treaties apply, such lower rates as provided) branch profits tax.

Any gain realized on the disposition of a note generally will not be subject to United States federal income tax unless:

- that gain is effectively connected with the non-United States holder’s conduct of a trade or business in the United States (or, if certain tax treaties apply, is attributable to a permanent establishment maintained by the non-United States holder within the United States); or
- the non-United States holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

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

Responsibility for the withholding of tax under United States law is assumed by the fiscal agent and principal paying agent in London and not by Citigroup.

### **Additional Withholding Requirements**

Withholding at a rate of 30% generally will be required in certain circumstances on interest in respect of, and after December 31, 2016, gross proceeds from the disposition of, notes held by or through certain financial institutions (including investment funds), unless such institution (i) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by U.S. persons and to withhold on certain payments or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and applicable foreign country may modify these requirements. Accordingly, the entity through which the notes are held will affect the determination of whether such withholding is required. Similarly, interest in respect of and, after December 31, 2016, gross proceeds from the disposition of, notes held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (i) certifies



to Citigroup that such entity does not have any “substantial United States owners” or (ii) provides certain information regarding the entity’s “substantial United States owners,” which Citigroup will in turn provide to the United States Department of the Treasury. You are encouraged to consult your tax advisor regarding the possible implications of these rules on an investment in the notes.

## **LUXEMBOURG TAXATION**

### **Withholding tax.**

All payments of interest (including accrued but unpaid interest) or principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the notes which are not profit sharing can be made free of withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein in accordance with applicable law, subject to the exception of the application as regards Luxembourg resident individuals (in the context of their private wealth) of the Luxembourg law of December 23, 2005 as amended by the law of July 17, 2008 (the “Law”) which has introduced a 10% withholding tax on savings income, if the Issuer is considered a resident of Luxembourg or if such payments are made, or deemed to be made, by a permanent establishment or permanent representative of the Issuer in Luxembourg.

Payments of interest or similar income on the notes made or deemed to be made by a paying agent within the meaning of the Law established in the Grand Duchy of Luxembourg to or for the benefit of an individual Luxembourg resident for tax purposes who is the beneficial owner of such payment may be subject to a tax at a rate of 10%. Such tax will be in full discharge of income tax if the individual beneficial owner acts in the course of the management of his/her private wealth. Responsibility for the withholding and payment of the tax lies with the Luxembourg paying agent.

Pursuant to the Law, Luxembourg resident individuals can opt to self-declare and pay a 10% levy on interest payments made by paying agents located in a Member State of the European Union other than the Grand Duchy of Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Directive.

The 10% withholding tax as described above or the 10% levy are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the Law, as amended, is assumed by the Luxembourg paying agent within the meaning of the Law, including the Issuer, to the extent it qualifies as such a Luxembourg paying agent.

### **Taxes on Income and Capital Gains**

A holder of the notes who derives income from such notes or who realizes a gain on the holding, disposal or redemption thereof will not be subject to Luxembourg taxation on such income or capital gains (subject to the Law of 21 June 2005 implementing the EU Savings Directive and the Law) unless:

- (i) such holder is, or is deemed to be, resident in Luxembourg for Luxembourg tax purposes (or for the purposes of the relevant provisions); or
- (ii) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment, a permanent representative or a fixed place of business in Luxembourg.

### **Non-resident holders of the notes**

Non-resident holders of the notes, not having a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the notes or income therefrom are attributable, are not subject to

Luxembourg income taxes on income accrued or received, redemption premiums or issue discounts, under the notes nor on capital gains realized on the disposal or redemption of the notes. Non-residents holders who have a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg to which the notes or income therefrom are attributable are subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the notes and on any gains realized upon the sale or disposal of the notes.

## **Resident holders of the notes**

### *Individuals*

A resident individual acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the notes, in its taxable income for Luxembourg income tax assessment purposes.

A resident holder of the notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the notes, except if tax has been levied on such payments in accordance with the Law.

A gain realized by an individual holder of the notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of the notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than 6 months after the notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Law.

### *Corporations*

A resident holder of the notes (which is not exempt) from income taxation must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the notes, in its taxable income for Luxembourg income tax assessment purposes.

A holder of the notes that is governed by the law of May 11, 2007 on family estate management companies (as amended), or by the law of December 17, 2010 on undertakings for collective investment (amending the law of December 20, 2002), or the law of February 13, 2007 on specialized investment funds (as amended) is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium, nor on gains realized on the sale or disposal, in any form whatsoever, of the notes.

## **VAT**

No Luxembourg value added tax is levied with respect to (i) any payment made in consideration of the issuance of the notes, (ii) any payment of interest, (iii) any repayment of principal or upon redemption, and (iv) any transfer of the notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

## **Net Wealth Tax**

A corporate holder of the notes, whether it is a resident of Luxembourg for tax purposes or a non-resident having a permanent establishment or a permanent representative in Luxembourg to which/whom such notes are attributable, is subject to Luxembourg net wealth tax on the notes. Resident holders of the notes governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010



on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended are not subject to Luxembourg net wealth tax.

An individual holder of the notes, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on such notes.

### **Inheritance and Gift Tax**

Where the notes are transferred for no consideration:

- (i) No Luxembourg inheritance tax is levied on the transfer of the notes upon death of a holder of the notes in cases where the deceased holder was not a resident of Luxembourg for inheritance tax purposes;
- (ii) Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or is registered in Luxembourg.

### **Other Taxes and Duties**

It is not compulsory that the notes are filed, recorded or enrolled with any court or other authority in Luxembourg or that registration tax, transfer tax, capital tax, stamp duty or any other similar tax or duty (other than court fees and contributions for the registration with the Chamber of Commerce) be paid in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the notes in accordance therewith. However in the case of proceedings in a Luxembourg court (including but not limited to a Luxembourg insolvency proceeding), registration of the notes may be ordered by the court, in which case the notes will be respectively subject to a fixed duty of EUR 12 or an *ad valorem* duty. Registration would in principle further be ordered, and the same registration duties could be due, when the notes are produced, either directly or by way of reference, before an official authority ("*autorité constituée*") in Luxembourg. A registration duty may also apply upon voluntary registration of the notes in Luxembourg (although there is no obligation to do so).

### **FATCA**

The Issuer or an entity acting on behalf of the Issuer may be impacted by FATCA provisions and/or the Luxembourg Intergovernmental Agreement, which was concluded with the US on March 28, 2014. The proposal for a Luxembourg law to ratify this Intergovernmental Agreement was published on March 30, 2015. FATCA compliance may require the Issuer or an entity acting on behalf of the Issuer to identify and disclose its US Account holders. Non-compliance with FATCA may entail a 30% US withholding tax on US source income. Reference is also made to "— FATCA Legislation" above.

## UNDERWRITING

The terms and conditions set forth in the terms agreement dated November 13, 2014, which incorporates by reference the underwriting agreement basic provisions dated March 2, 2006, governs the sale and purchase of the notes. The terms agreement and the underwriting agreement basic provisions are referred to together as the underwriting agreement. Each underwriter named below severally agreed to purchase from Citigroup, and Citigroup agreed to sell to each underwriter, the principal amount of notes set forth opposite the name of each underwriter.

<u>Underwriter</u>	<u>Principal Amount of Notes</u>
Citigroup Global Markets Inc., 388 Greenwich St., New York NY .....	\$1,112,000,000
BBVA Securities Inc. 1345 Avenue of the Americas, New York, NY .....	\$ 25,000,000
BNP Paribas Securities Corp, 51 West 52nd Street, 36th Floor New York, NY .....	\$ 25,000,000
Deutsche Bank Securities Inc Wall St., New York NY .....	\$ 25,000,000
HSBC Securities (USA) Inc. 452 5th Ave., New York NY .....	\$ 50,000,000
ING Financial Markets LLC. 1325 AVENUE OF THE AMERICAS, NEW YORK, NY .....	\$ 25,000,000
National Bank of Canada Financial, Inc. 65 EAST 55TH STREET, 31ST FL., NEW YORK, NY ..	\$ 25,000,000
Nomura Securities International, Inc, 2 World Financial Center, New York NY .....	\$ 25,000,000
Wells Fargo Securities, LLC, 301 SCollege St., Charlotte NC .....	\$ 25,000,000
ABN AMRO Securities (USA) LLC, 100 Park Avenue, New York, New York .....	\$ 5,000,000
Apto Partners, LLC. 4 Campus Drive, Parsippany, NJ .....	\$ 5,000,000
Banca IMI S.p.A.*, 1 William St., New York NY .....	\$ 5,000,000
Blaylock Beal Van, LLC 600 Lexington Ave. New York NY .....	\$ 5,000,000
CAVU Securities, LLC. 420 Lexington Ave, Suite 3030, New York, NY .....	\$ 5,000,000
Drexel Hamilton, LLC. 2000 MARKET STREET, SUITE 780, PHILADELPHIA, PA .....	\$ 5,000,000
Guzman & Company 101 ARAGON AVENUE, CORAL GABLES, FL .....	\$ 5,000,000
Lebenthal & Co., LLC, 521 5th Ave., New York NY .....	\$ 5,000,000
MFR Securities Inc., 110 Wall St., New York NY .....	\$ 5,000,000
Mischler Financial Group, Inc., 1101 Bayside Drive Suite 100, Corona Del Mar, CA .....	\$ 5,000,000
Mitsubishi UFJ Securities 1633 BROADWAY, 29TH FLOOR, NEW YORK, NY .....	\$ 5,000,000
RBC Capital Markets, LLC, 3 World Financial Center, New York NY 10281 .....	\$ 5,000,000
Samuel A. Ramirez & Company, Inc. 61 BROADWAY, SUITE 2924, NEW YORK, NY .....	\$ 5,000,000
Scotia Capital Inc. 250 Vesey Street, New York, Ny 10281 .....	\$ 5,000,000
TD Securities (USA) LLC, 31 West 52nd Street New York, New York 10019 .....	\$ 5,000,000
Telsey Advisory Group LLC 535 FIFTH AVE., 12TH FLOOR, NEW YORK, NY .....	\$ 5,000,000
UBS Securities LLC, 677 Washington Blvd., Stamford CT 06901 .....	\$ 5,000,000
The Williams Capital Group, L.P. 650 FIFTH AVENUE, 9TH FLOOR, NEW YORK, NY ....	\$ 5,000,000
Total .....	\$ 100,000,000

\* Banca IMI S.p.A., is not a U.S. registered broker-dealer, and, to the extent it intends to effect any sales of the notes in the United States, it will do so through a U.S. registered

The underwriters offered part of the notes directly to the public at the public offering price set forth on the cover page of this prospectus and to certain dealers at the public offering price less a concession not in excess of 0.525% of the principal amount of the notes.

Citigroup has agreed to indemnify the underwriters against liabilities relating to material misstatements and omissions.

In accordance with Regulation M of the United States Securities Exchange Act of 1934, the underwriters may over-allot or effect transactions that stabilize or cover, each of which is described below.

- Over-allotment involves sales in excess of the offering size, which creates a short position for the underwriters.
- Stabilizing transactions involve bids to purchase the notes so long as the stabilizing bids do not exceed a specified maximum.
- Covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions.

These transactions may cause the price of the notes to be higher than it would otherwise be in the absence of such transactions. The underwriters are not required to engage in any of these activities and may end any of these activities at any time. The underwriters may also impose a penalty bid. Penalty bids permit an underwriter to reclaim a selling concession from a syndicate member when that underwriter, in covering syndicate short positions or making stabilizing purchases, purchases notes originally sold by that syndicate member.

Citigroup estimates that the total expenses of this offering will be \$175,000, of which approximately \$12,000 relate to the expense of admission to trading.

The notes are a new series of securities with no established trading market. Citigroup has applied for listing of the notes on the Official List of the Luxembourg Stock Exchange but it is not required to maintain this listing. See “Description of Notes — Listing and admission to trading”. Citigroup has been advised by the underwriters that they presently intend to make a market in the notes, as permitted by applicable laws and regulations. The underwriters are not obligated, however, to make a market in the notes and may discontinue any market making at any time at their sole discretion. Accordingly, Citigroup can make no assurance as to the liquidity of, or trading markets for, the notes.

The underwriters and their affiliates may engage in transactions (which may include commercial banking transactions) with, and perform services for, Citigroup or one or more of its affiliates in the ordinary course of business.

Citigroup’s broker-dealer subsidiaries or other subsidiaries or affiliates of Citigroup may make offers and sales of the notes in market-making transactions at negotiated prices related to prevailing market prices at the time of sale. Any of these subsidiaries may act as principal or agent in such transactions.

The notes were offered globally for sale in the United States, Europe, Asia and elsewhere where it is lawful to make such offers.

Purchasers of the notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase. No expenses will be charged to purchasers by the issuer.

The underwriters have agreed that they will not offer to the public, sell or deliver any of the notes, directly or indirectly, or distribute this prospectus or any other offering material relating to the notes, in or from any jurisdiction, except when to the best knowledge and belief of the underwriters it is permitted under applicable laws and regulations. In so doing, the underwriters will not impose any obligations on Citigroup, except as set forth in the underwriting agreement.

Except as described in this section, Citigroup is not aware of any person involved in the offer and issuance of the notes that has a material interest in such offer and issuance.

## **FORWARD-LOOKING STATEMENTS**

This prospectus, and the information incorporated by reference in this prospectus, include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements are based on Citigroup’s management’s beliefs and assumptions and on information currently available to Citigroup’s management. Forward-looking statements include information concerning Citigroup’s possible or assumed future results of operations and statements preceded by, followed by or that include the words “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates” or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. Factors that could cause actual results to differ from these forward-looking statements include, but are not limited to, those discussed elsewhere in this prospectus, and the documents incorporated by reference in this prospectus. You should not put undue reliance

on any forward-looking statements. Citigroup does not have any intention or obligation to update forward-looking statements after it distributes this prospectus.

## **DESCRIPTION OF DEBT SECURITIES**

The debt securities described in this prospectus are unsecured subordinated obligations of Citigroup and will be subordinated debt. Subordinated debt will be issued under a subordinated debt indenture. The subordinated debt indenture is sometimes referred to in this prospectus as the “indenture”. Form of the indenture has been filed with the SEC and are incorporated by reference or included in the registration statement on Form S-3 (No. 333-172562) under the Securities Act of 1933.

The following briefly summarizes the material provisions of the indenture and the subordinated debt securities, other than pricing and related terms. You should read the more detailed provisions of the indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of subordinated debt securities. Copies of the indenture may be obtained from Citigroup or the trustee.

The trustee under the subordinated debt indenture will be The Bank of New York Mellon. Citigroup has appointed Citibank, N.A. to act as paying agent under the indenture and Banque Internationale à Luxembourg S.A. has been appointed as paying agent in Luxembourg.

### **General**

The indenture provides that unsecured subordinated debt securities of Citigroup may be issued in one or more series, with different terms, in each case as authorized from time to time by Citigroup. Citigroup also has the right to “reopen” a previous issue of a series of subordinated debt securities by issuing additional subordinated debt securities of such series.

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

The resolutions of Citigroup’s Funding Committee will establish, for each series of subordinated debt securities, the following terms, where applicable:

- the title of the subordinated debt securities;
- the total principal amount of the subordinated debt securities;
- the ranking of subordinated debt securities;
- the percentage of the principal amount at which the subordinated debt securities will be sold and, if applicable, the method of determining the price;
- the maturity date or dates;
- the interest rate or the method of computing the interest rate;
- the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment date or dates and any related record dates;
- if other than in United States dollars, the currency or currency unit in which payment will be made;
- if the amount of any payment may be determined with reference to an index or formula based on a currency or currency unit other than that in which the subordinated debt securities are payable, the manner in which the amounts will be determined;
- if the amount of any payment may be determined with reference to an index or formula based on securities, commodities, intangibles, articles or goods, or any other financial, economic or other

measure or instrument, including the occurrence or non-occurrence of any event or circumstance, the manner in which the amount will be determined;

- if any payments may be made at the election of Citigroup or a holder of subordinated debt securities in a currency or currency unit other than that in which the subordinated debt securities are stated to be payable, the periods within which, and the terms upon which, such election may be made;
- the location where payments on the subordinated debt securities will be made;
- the terms and conditions on which the subordinated debt securities may be redeemed at the option of Citigroup;
- any obligation of Citigroup to redeem, purchase or repay the subordinated debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;
- if other than the principal amount, the portion of the principal amount of the subordinated debt securities payable if the maturity is accelerated;
- any provisions for the discharge of Citigroup's obligations relating to the subordinated debt securities by deposit of funds or United States government securities;
- whether the subordinated debt securities are to trade in book-entry form and the terms and any conditions for exchanging the global security in whole or in part for paper certificates;
- the date of any global security if other than the original issuance of the first subordinated debt security to be issued;
- any material provisions of the applicable indenture described in this prospectus that do not apply to the subordinated debt securities;
- whether the securities are to be issued in registered form, bearer form, or both; and
- any other specific terms of the subordinated debt securities.

The subordinated debt securities will be issued only in registered form. As currently anticipated, subordinated debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under "Book-Entry Procedures and Settlement."

The subordinated debt securities may be presented for exchange, and subordinated debt securities other than a global security may be presented for registration of transfer, at the principal trust office of the trustee in New York City. Holders will not have to pay any service charge for any registration of transfer or exchange of subordinated debt securities, but Citigroup may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer.

### **Payment and Paying Agents**

Distributions on the debt securities other than those represented by global notes or bearer securities will be made in U.S. dollars against surrender of the debt securities at the principal office of the trustee in New York City. Payment will be made to the registered holder at the close of business on the record date for such payment. Interest payments in U.S. dollars will be made at the principal trust office of the paying agent in New York City, or by a check mailed to the holder at his registered address.

### **Covenants**

*Limitations on Liens.* The senior debt indenture provides that Citigroup will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any indebtedness for money borrowed if such indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, without providing that each series of senior debt securities and, at Citigroup's option, any other senior indebtedness ranking equally with such series of senior debt securities, is secured equally and ratably with such

indebtedness. This limitation shall not apply to indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including any renewals or extensions of such secured indebtedness.

“Significant Subsidiary” means a Subsidiary, including its Subsidiaries, that meets any of the following conditions:

- Citigroup’s and its other Subsidiaries’ investments in and advances to the Subsidiary exceed 10 percent of the total assets of Citigroup and its Subsidiaries consolidated as of the end of the most recently completed fiscal year;
- Citigroup’s and its other Subsidiaries’ proportionate share of the total assets of the Subsidiary after intercompany eliminations exceeds 10 percent of the total assets of Citigroup and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or
- Citigroup’s and its other Subsidiaries’ equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of the Subsidiary exceeds 10 percent of such income of Citigroup and its Subsidiaries consolidated for the most recently completed fiscal year.

“Subsidiary” means any corporation of which securities entitled to elect at least a majority of the corporation’s directors shall at the time be owned, directly or indirectly, by Citigroup, and/or one or more Subsidiaries, except securities entitled to vote for directors only upon the happening of a contingency.

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

*Limitations on Mergers and Sales of Assets.* The indenture provides that Citigroup will not merge or consolidate with another corporation or sell other than for cash or lease all or substantially all its assets to another corporation, or purchase all or substantially all the assets of another corporation unless:

- either (1) Citigroup is the continuing corporation, or (2) the successor corporation, if other than Citigroup, expressly assumes by supplemental indenture the obligations evidenced by the securities issued pursuant to the indenture and
- immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indenture.

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

### **Modification of the Indenture**

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

Citigroup and the trustee may, with the consent of the holders of at least 66⅔% in aggregate principal amount of the senior debt securities of a series modify the indenture or the rights of the holders of the securities of such series to be affected.

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

- change the fixed maturity of any such securities;

- reduce the rate of interest on such securities;
- reduce the principal amount of such securities or the premium, if any, on such securities;
- reduce the amount of the principal of any securities issued originally at a discount;
- change the currency in which any such securities are payable; or
- impair the right to sue for the enforcement of any such payment on or after the maturity of such securities.

In addition, no such modification may:

- reduce the percentage of securities referred to above whose holders need to consent to the modification without the consent of such holders; or
- change, without the written consent of the trustee, the rights, duties or immunities of the trustee.

### **Events of Default and Defaults**

Events of default under the subordinated debt indenture are:

- failure to pay required interest on any debt security of such series for 30 days;
- failure to pay principal, other than a scheduled installment payment to a sinking fund or premium, if any, on any debt security of such series when due;
- failure to make any required scheduled installment payment to a sinking fund for 30 days on debt securities of such series;
- failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and
- certain events of bankruptcy or insolvency, whether voluntary or not.

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

No event of default regarding one series of senior debt securities issued under the senior debt indenture is necessarily an event of default regarding any other series of senior debt securities.

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

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

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities



of that series outstanding must request the trustee to take action. Holders must also offer satisfactory security and indemnity against liabilities incurred by the trustee for taking such action.

### **Defeasance**

If so specified when the subordinated debt securities of a particular series are created, after Citigroup has deposited with the trustee cash or U.S. government securities in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the senior debt securities of such series when due, then Citigroup, at its option:

- will be deemed to have paid and satisfied its obligations on all outstanding senior debt securities of such series, which is known as “defeasance and discharge;” or
- will cease to be under any obligation, other than to pay when due the principal of, premium, if any, and interest on such senior debt securities, relating to the senior debt securities of such series, which is known as “covenant defeasance.”

In the case of covenant defeasance, Citigroup must also deliver to the trustee an opinion of counsel to the effect that the holders of the senior debt securities of such series will have no United States federal income tax consequences as a result of such deposit.

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

The obligations and rights under the senior debt indenture regarding compensation, reimbursement and indemnification of the trustee, optional redemption, mandatory and optional scheduled installment payments, if any, registration of transfer and exchange of the senior debt securities of such series, replacement of mutilated, destroyed, lost or stolen senior debt securities and certain other administrative provisions will continue even if Citigroup exercises its defeasance and discharge or covenant defeasance options.

Under current United States federal income tax law, defeasance and discharge should be treated as a taxable exchange of the subordinated debt securities for an interest in the trust. As a consequence, each holder of the senior debt securities would recognize gain or loss equal to the difference between the value of the holder's interest in the trust and holder's adjusted tax basis for the subordinated debt securities deemed exchanged, except to the extent attributable to accrued but unpaid interest, which will be taxable as ordinary income. Each holder would then be required to include in income his share of any income, gain and loss recognized by the trust. Even though United States federal income tax on the deemed exchange would be imposed on a holder, the holder would not receive any cash until the maturity or an earlier redemption of the senior debt securities, except for any current interest payments. Prospective investors are urged to consult their tax advisors as to the specific consequences of a defeasance and discharge, including the applicability and effect of tax laws other than the United States federal income tax law.

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

### **Concerning the Trustee**

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



## DESCRIPTION OF CAPITAL STOCK

### General

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

### Common Stock

As of June 30, 2015, Citigroup had outstanding approximately 3 billion shares of its common stock. Each holder of common stock is entitled to one vote per share for the election of directors and for all other matters to be voted on by Citigroup's stockholders. Except as otherwise provided by law, the holders of shares of common stock vote as one class. Holders of common stock may not cumulate their votes in the election of directors, and are entitled to share equally in the dividends that may be declared by the board of directors, but only after payment of dividends required to be paid on outstanding shares of preferred stock.

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

To the knowledge of Citigroup, as of June 30, 2015, no person beneficially owns 5% or more of its common stock other than BlackRock Inc., which owns 6.5%, and The Vanguard Group Inc., which owns 5.02%.

### Preferred Stock

As of June 30, 2015, Citigroup had outstanding the following series of preferred stock with the following terms:

<b>Title of Series</b>	<b>Number of Shares Outstanding</b>	<b>Dividends Per Year</b>	<b>Redemption Price Per Share (\$)</b>	<b>Date Next Redeemable by Citigroup</b>	<b>General Voting Rights</b>
Series AA .....	3,870,330	8.125%	\$ 25	February 15, 2018	No
Series E .....	121,254	8.400%	1,000	April 30, 2018	No
Series A .....	1,500,000	5.950%	1,000	January 30, 2023	No
Series B .....	750,000	5.900%	1,000	February 15, 2023	No
Series C .....	23,000,000	5.800%	25	April 22, 2018	No
Series D .....	1,250,000	5.350%	1,000	May 15, 2023	No
Series J .....	38,000,000	7.125%	25	September 30, 2023	No
Series K .....	59,800,000	6.875%	25	November 15, 2023	No
Series L .....	19,200,000	6.875%	25	February 12, 2019	No
Series M .....	1,750,000	6.300%	1,000	May 15, 2024	No
Series N .....	1,500,000	5.800%	1,000	November 15, 2019	No
Series N .....	1,500,000	5.800%	1,000	November 15, 2019	No
Series O .....	1,500,000	5.875%	1,000	March 27, 2020	No
Series P .....	2,000,000	5.950%	25,000	May 15, 2025	No
Series Q .....	1,250,000	5.950%	25,000	August 15, 2020	No

Where the above table indicates that the holders of the preferred stock have no general voting rights, this means that they do not vote on matters submitted to a vote of the common stockholders. However, the holders of this preferred stock do have other special voting rights (1) that are required by law, (2) that apply if there is a default in paying dividends for the equivalent of six calendar quarters, whether or not consecutive and (3) when

Citigroup wants to create any class of stock having a preference as to dividends or distributions of assets over such series or alter or change the provisions of the certificate of incorporation so as to adversely affect the powers, preferences or rights of the holders of such series. These special voting rights apply to all series of preferred stock listed above.

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

*Business Combinations.* The certificate of incorporation generally requires the affirmative vote of at least 66⅔% of the votes entitled to be cast by the holders of the then outstanding shares of voting stock, voting together as a single class, to approve any merger or other business combination between Citigroup and any interested stockholder, unless (1) the transaction has been approved by a majority of the continuing directors of Citigroup or (2) minimum price, form of consideration and procedural requirements are satisfied. An "interested stockholder" as defined in the certificate of incorporation generally means a person who owns at least 25% of the voting stock of Citigroup. A "continuing director", as defined in the certificate of incorporation, generally means a director who is not related to an interested stockholder who held that position before an interested stockholder became an interested stockholder.

*Amendments to Certificate of Incorporation and By-Laws.* The affirmative vote of the holders of at least a majority of the voting power of the shares entitled to vote for the election of directors is required to amend the provisions of the certificate of incorporation relating to the issuance of common stock. Amendments of provisions of the certificate of incorporation relating to business combinations generally require a vote of the holders of a majority of the then outstanding shares of voting stock directors. The board of directors, at any meeting, may alter or amend the by-laws upon the affirmative vote of at least 66⅔% of the entire board of directors.

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

### **BOOK-ENTRY PROCEDURES AND SETTLEMENT**

Most series of debt securities will be book-entry securities. Upon issuance, all book-entry securities of the same issue will be represented by one or more fully registered global securities, without interest coupons. Each global security will be deposited with, or on behalf of, The Depository Trust Company, a securities depository, and will be registered in the name of DTC or a nominee of DTC. DTC will thus be the only registered holder of these debt securities and will be considered the sole owner of the securities for purposes of the indenture.

Purchasers may only hold interests in the global notes through DTC if they are a participant in the DTC system. Purchasers may also hold interests through a securities intermediary — banks, brokerage houses and other institutions that maintain securities accounts for customers — that has an account with DTC or its nominee. DTC will maintain accounts showing the securities holdings of its participants, and these participants will in turn maintain accounts showing the securities holdings of their customers. Some of these customers may themselves be securities intermediaries holding debt securities or index warrants for their customers. Thus, each beneficial owner of a book-entry security will hold that security indirectly through a hierarchy of intermediaries, with DTC at the "top" and the beneficial owner's own securities intermediary at the "bottom."

The securities of each beneficial owner of a book-entry security will be evidenced solely by entries on the books of the beneficial owner's securities intermediary. The actual purchaser of the securities will generally not be entitled to have the securities represented by the global securities registered in its name and will not be

considered the owner under the indenture. In most cases, a beneficial owner will also not be able to obtain a paper certificate evidencing the holder's ownership of securities. The book-entry system for holding securities eliminates the need for physical movement of certificates and is the system through which most publicly traded common stock is held in the United States. However, the laws of some jurisdictions require some purchasers of securities to take physical delivery of their securities in definitive form. These laws may impair the ability to transfer or pledge book-entry securities.

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

- (a) DTC is unwilling or unable to continue as depositary for such global security and Citigroup is unable to find a qualified replacement for DTC within 90 days;
- (b) at any time DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934; or
- (c) Citigroup in its sole discretion decides to allow some or all book-entry securities to be exchangeable for definitive securities in registered form.

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

In this prospectus, for book-entry securities, references to actions taken by security holders will mean actions taken by DTC upon instructions from its participants, and references to payments and notices of redemption to security holders will mean payments and notices of redemption to DTC as the registered holder of the securities for distribution to participants in accordance with DTC's procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under section 17A of the Securities Exchange Act of 1934. The rules applicable to DTC and its participants are on file with the SEC.

Citigroup will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the book-entry securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

The information in this section about DTC has been provided by DTC for information purposes only. This information has been accurately reproduced and as far as the issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading, and this information is not intended to serve as a representation, warranty or contract modification of any kind.

## DIRECTORS AND EXECUTIVE OFFICERS OF CITIGROUP INC.

### Board of Directors

Michael Corbat

Duncan P. Hennes

Franz B. Humer

Michael E. O'Neill

Gary M. Reiner

Judith Rodin

Robert L. Ryan

Anthony M. Santonero

Joan E. Spero

Diana L. Taylor

William S. Thompson, Jr.

James S. Turley

Ernesto Zedillo

### Main duties outside the Issuer

—

Partner, Atrevida Partners LLC

Chairman, Roche Holding Ltd.

—

Operating Partner, General Atlantic LLC

President, Rockefeller Foundation.

CFO (Retired), Medtronic Inc.

Former President, Federal Reserve Bank of Philadelphia

Senior Research Scholar, Columbia Univ. School of International and Public Affairs.

Managing Director, Wolfensohn Fund Management L.P.

CEO (Retired), Pacific Investment Management Company

Former Chairman and CEO, Ernst & Young

Director, Center for the Study of Globalization; Professor Yale University

The executive officers of Citigroup are: Francisco Aristeguita, Stephen Bird, Don Callahan, Michael L. Corbat, James Cowles, Barbara Desoer, James A. Forese, John C. Gerspach, Brad Hu, William J. Mills, Michael Murray, Jeffrey R. Walsh and Rohan Weerasinghe. The business address of each director and executive officer of Citigroup in such capacities is 399 Park Avenue, New York, New York 10022.

The Issuer is not aware of any conflicts of interest between the private interests and or other duties of its senior management and the interests of the Issuer that would be material in the context of any issuance of notes.

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

### Committees of the Board of Directors

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

*The executive committee*, which acts on behalf of the board if a matter requires board action before a meeting of the full board can be held.

*The audit committee*, which assists the board in fulfilling its oversight responsibility relating to (i) the integrity of Citigroup's financial statements and financial reporting process and Citigroup's system of internal accounting and financial controls, (ii) the performance of the internal audit function — Audit and Risk Review; (iii) the annual independent integrated audit of Citigroup's consolidated financial statements and internal control over financial reporting, the engagement of the independent registered public accounting firm and the evaluation of the independent registered public accounting firm's qualifications, independence and performance; (iv) policy standards and guidelines for risk assessment and risk management; (v) the compliance by Citigroup with legal and regulatory requirements, including Citigroup's disclosure controls and procedures; and (iv) the fulfillment of the other responsibilities set out in its charter, as adopted by the board. Subcommittees of the audit committee cover Citigroup's corporate and consumer businesses.

The members of the audit committee are Michael O'Neill, Robert L. Ryan, Anthony M. Santomero, Joan E. Spero and James S. Turley.

*The risk management and finance committee*, which assists the board in fulfilling its responsibility for (i) oversight of Citigroup's risk management framework, including the significant policies, procedures and practices used in managing credit, market and certain other risks and (ii) oversight of Citigroup's policies and practices relating to Treasury matters, including capital, liquidity and financing, as well as merger, acquisition and divestiture activity.

The members of the risk management and finance committee are Duncan Hennes, Franz B. Humer, Robert L. Joss, Anthony M. Santomero, William S. Thompson, Jr., James S. Turley and Ernesto Zedillo.

*The nomination and governance committee*, which is responsible for identifying individuals qualified to become board members and recommending to the board the director nominees for the next annual meeting of stockholders. It leads the board in its annual review of the board's performance and recommends to the board director candidates for each committee for appointment by the board. The committee takes a leadership role in shaping corporate governance policies and practices, including recommending to the board the Corporate Governance Guidelines and monitoring Citigroup's compliance with these policies and the Guidelines. The committee is responsible for reviewing and approving all related party transactions. The committee also reviews director compensation and benefits, Citigroup's Code of Conduct, the Code of Ethics for Financial Professionals and other internal policies to monitor that the principles contained in the Codes are being incorporated into Citigroup culture and business practices.

*The personnel and compensation committee*, which is responsible for determining the compensation for the Chairman and the Chief Executive Officer, and approving the compensation structure for senior management, including the operating committee, members of the business planning groups, the most senior managers of corporate staff, and other highly paid professionals in accordance with guidelines established by the committee from time to time. Further, the committee approves broadbased and special compensation plans for all of Citigroup's businesses.

The committee regularly reviews Citigroup's management resources, succession planning and talent development activities, as well as the performance of senior management.

The committee is also charged, in conjunction with the public affairs committee, with monitoring Citigroup's performance toward meeting its goals on employee diversity.

*The public affairs committee*, which is responsible for reviewing Citigroup's policies and programs that relate to public issues of significance to Citigroup and the public at large and reviewing relationships with external constituencies and issues that impact Citigroup's reputation. The committee also has responsibility for reviewing political and charitable contributions made by Citigroup and the Citigroup Foundation, reviewing Citigroup's policies and practices regarding employee and supplier diversity and reviewing Citigroup's sustainability policies and programs, including environmental and human rights.

## **LEGAL OPINIONS**

The validity of the notes has been passed upon for Citigroup by Michael J. Tarpley, Associate General Counsel — Capital Markets of Citigroup, and for the underwriters by Cleary Gottlieb Steen & Hamilton LLP, New York, New York. Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, has acted as special U.S. tax counsel to Citigroup in connection with tax matters related to the issuance of the notes. Mr. Tarpley beneficially owns, or has rights to acquire under Citigroup's employee benefit plans, an aggregate of less than 1% of Citigroup's common stock. Cleary Gottlieb Steen & Hamilton LLP has from time to time acted as counsel for Citigroup and its subsidiaries and may do so in the future.

## GENERAL INFORMATION

Application has been made to list the notes on the Official List and to trade the notes on the regulated market of the Luxembourg Stock Exchange. You may request copies of this prospectus, the indenture and Citigroup's current annual and quarterly reports, as well as all other documents incorporated by reference in this prospectus, so long as any of the notes are outstanding and listed on the Official List of the Luxembourg Stock Exchange. This prospectus will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). For the avoidance of doubt the content of the websites found within this Prospectus do not form part of the Prospectus.

You can also request copies (free of charge) of (1) this prospectus and the indenture, and (2) Citigroup's annual, quarterly and current reports, as well as other documents incorporated by reference in this prospectus, by following the directions under "Documents Incorporated by Reference" on page 14. These documents, including Citigroup's annual, quarterly and current reports for the most recent two years and its certificate of incorporation and by-laws, and including the documents mentioned on pages 13 and 14, will also be made available (free of charge) at the main office of Banque Internationale à Luxembourg in Luxembourg so long as the notes are listed on the Luxembourg Stock Exchange.

There has been no significant change in the financial and trading position or results of operations of Citigroup since June 30, 2015, and no material adverse change in the prospects of Citigroup since December 31, 2014, except as it may otherwise be set forth on pages 289 to 298 of the Annual Report, including certain litigation related to the 2008 credit crisis, Korean derivatives, the Lehman Brother's bankruptcy and structured notes, Terra Firma and credit default swaps, and regulatory inquiries into LIBOR manipulation.

Except as disclosed on pages 227 to 229 of the Quarterly Report neither Citigroup nor any of its subsidiaries is involved, or has been involved in the prior twelve months, in litigation, arbitration or administrative or governmental proceedings relating to claims or amounts that are material in the context of the issue of the notes. Citigroup is not aware of any such litigation, arbitration or administrative or governmental proceedings pending or threatened.

The financial statements of Citigroup have been audited for the three financial years preceding the date of this prospectus by KPMG LLP, independent public auditors of Citigroup for that period, and unqualified opinions have been reported thereon. KPMG LLP is a member of the American Institute of Certified Public Accountants, and is regulated by the U.S. Public Company Accounting Oversight Board.

Resolutions relating to the issue and sale of the notes were adopted by the board of directors of Citigroup on January 15, 2015, and by the Funding Committee of the board of directors dated as of January 21, 2015.

The notes have been assigned Common Code No. 114111082, International Security Identification Number US172967JC62, and CUSIP No. 172967 JC6.

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