

## HEARING BEFORE THE U.S. HOUSE COMMITTEE ON FINANCIAL SERVICES

September 21, 2022

Testimony of Jane Fraser,  
Chief Executive Officer, Citi

Chairwoman Waters, Ranking Member McHenry, and Members of the Committee: Thank you for the opportunity to represent Citi today.

When a similar group convened with this Committee last year, we shared how our banks supported the economy during the global pandemic. Today, the worst of Covid may be behind us, but the economic challenges we face are no less daunting. And while the world has changed a lot in the last few years, our commitment to serving the millions of Americans and thousands of businesses we call customers has not. The reforms you put in place – and the work we've done since the financial crisis to strengthen our bank's financial foundation and risk management – have enabled us to continue serving as a source of stability.

While today I am a proud American citizen, as someone who grew up in the UK, I can attest that the banking system and capital markets here in the U.S. are the envy of others. A competitive and diverse banking landscape ensures more choice and efficiency for customers while helping expand access to credit in communities that need it most. Banks are essential to American competitiveness abroad and a reason why the U.S. is a top destination for foreign investment.

Through Citi's extensive global network and footprint, we partner with the most iconic American institutions, including the federal government, to navigate markets. As businesses large and small adjust to the evolving economy, we help them build resiliency, reconfigure supply chains and adapt to inflationary pressures. We help partners in the private and public sectors to finance the capital investments that help America's economy compete in the 21<sup>st</sup> century. Last year, Citi worked with state and local governments to catalyze more than \$27 billion in infrastructure, such as schools, hospitals and roads. Many of these large projects wouldn't have been possible without a bank of Citi's scale to back them.

### Citi Today and Tomorrow

Our vision for Citi is to be the preeminent banking partner for institutions with cross-border needs, a global leader in wealth management and a valued personal bank in our home market of the U.S. It has led us to focus on five interconnected businesses: Services, Markets, Banking, Global Wealth Management and U.S. Personal Banking. This comes after a restructuring following the global financial crisis during which we shed more than 70 businesses and divested more than \$800 billion of non-core assets.

Our retail bank serves roughly 70 million customers in the U.S., where we operate 651 retail branches concentrated in the six metropolitan areas of New York, Washington, D.C., Miami, Chicago, San Francisco and Los Angeles. We have fewer than the approximately 1,000 branches

we had 10 years ago, but more than the 450 branches we operated at the turn of the millennium. Roughly 29% of our branches are in low- and moderate-income census tracts. Through investments in our digital capabilities, new and expanded partnerships, and our role as the nation's second largest credit card issuer, we have been able to extend our reach beyond our core, physical footprint to serve communities across the country and deepen customer relationships.

In the invitation to testify today, the Committee requested that we provide updates and additional information regarding Citi's initiatives in several areas. Citi's responses to those questions appear throughout the remainder of the testimony below or in the appendix.

### **Meeting Small Business and Housing Demand**

Earlier this year Citi was named the largest financer of affordable multifamily housing in the country for the 12th consecutive year. We are proud of our leadership in this space. Over those 12 years, we have helped create or preserve nearly 400,000 affordable housing units across the U.S. In 2021 alone, the \$5.6 billion Citi financed went to support 32,000 new affordable housing units in 32 states from California to Ohio to New York.

Citi is also helping Americans achieve the dream of homeownership through our mortgage lending and by working to remove some of the barriers that borrowers encounter. We recently announced a special purpose credit program that will grow our lender paid assistance programs, including our HomeRun program, which permits low down payments and removes mortgage insurance requirements for eligible borrowers with low to moderate incomes. These enhancements will expand income eligibility and distribution of lending solutions to serve more diverse consumers within and outside of our bank's physical footprint.

Citi continues to strengthen relationships with homeownership counseling groups, such as HomeFree-USA, and is participating as a member of the Office of the Comptroller of the Currency's Project REACH Homeownership workstream to promote financial inclusion through greater access to credit and capital. We have also expanded our community lending team and its continue to invest in our digital mortgage capabilities to better reach all communities, including underserved markets. Recently, Citi committed \$200 million of equity to the preservation of affordable and workforce housing projects that will be co-managed by five Black investment managers.

We offer a number of products, including Small Business Administration (SBA) loans, term loans, commercial mortgage loans and credit card lending through our Branded Cards and Retail Services portfolios. The lending we provide as the nation's second-largest credit card issuer translates into essential liquidity for consumers and small businesses. Citi's supply chain financing offering in our institutional business also provides critical early financing for small and medium-size enterprises that supply large companies around the globe.

During the pandemic, we were proud to stand up a robust Paycheck Protection Program (PPP) to meet the extraordinary needs of the time. We have applied the learnings from PPP and have grown our SBA lending team to expand our lending relationships with small businesses. We also

recently launched a program called “Bridge Built by Citi,” which is a digital lending platform that connects small businesses to local and regional banks for their commercial lending needs.

In 2021, we provided small businesses with more than \$11.8 billion in funding, with supply chain financing and credit card products accounting for a significant share of that total.

### **Closing the Racial Wealth Gap**

Breaking down barriers to banking is also a priority. We understand that communities of color face disproportionate challenges when accessing financial products and we are working to expand banking services and increase access.

Two years ago, we launched Action for Racial Equity to help close the racial wealth gap and increase economic mobility in the U.S. We have already invested more than \$1.1 billion in strategic initiatives, exceeding our original commitment made in 2020.

Earlier this year, we launched a first-of-its kind diverse financial institutions group to lead our engagement with minority depository institutions (MDIs) and help them to scale and expand into new markets. This work includes a groundbreaking rotational program that embeds Citi executives within MDIs for up to a year.

Citi recently enlisted three of our partner MDIs to take part in a \$1.2 billion syndicated corporate loan. We also worked exclusively with five Black-owned firms to syndicate a \$2.5 billion bond.

We launched the Citi Impact Fund in 2020 to invest our own capital in “double bottom line” U.S. companies. Just this month we expanded the Fund to \$500 million. More than 40% of the companies receiving investments are founded or co-founded by Black entrepreneurs.

### **Expanding Access to Financial Services**

This past summer, we became the first of the largest U.S. banks to completely eliminate overdraft fees and returned item fees for our customers. We are expanding banking services in communities of color by extending surcharge-free access to Citibank ATMs through our Citi ATM Community Network of 32 community banks, 16 of which are MDIs. We have expanded our Citi Start Savings Platform, which we first launched with the City of San Francisco to help families establish no-cost education savings accounts, to Los Angeles, San Diego and Atlanta.

We’ve also pioneered partnerships with other institutions that help us make an impact beyond the six U.S. cities where we have retail branches. Since 2020, the Citi Foundation has committed \$115 million in funding to Community Development Financial Institutions (CDFI) and other community-based change agents and Citi has made \$44 million in equity investments and \$57 million in revenue-generating opportunities with 11 MDIs.

Citi is committed to complying with all applicable laws, including fair lending and other anti-discrimination laws. When we have fallen short of that commitment, we have recognized it and remediated the affected parties.

## **Diversity at Citi**

We maintain a culture that embraces the diversity of our people and the communities we serve. Today, 58% of our board of directors are women and 8% are racially/ethnically diverse. I am proud to be the first woman to run a global financial institution and equally proud to serve alongside our CFO, Mark Mason, who is one of the most senior Black executives in our industry. Of Citi's executive management team, four are women and five are racially/ethnically diverse.

We recognize the importance of transparency and accountability to our diversity efforts. In 2018, Citi was the first major U.S. financial institution to publicly disclose its adjusted pay gap comparing compensation of women to men and U.S. minorities to U.S. non-minorities. Since 2019, Citi has disclosed both its raw and adjusted pay gap for women globally and for minorities in the U.S.

In 2018, we set three-year goals to increase at the senior levels of our firm the percentages of women globally and Black talent in the U.S. Last year Citi exceeded those aspirational representation goals and we are expanding our goals to include additional markets and under-represented groups, including Hispanics and Latinos in the U.S, Black, Asian and other minorities in the UK, and members of the LGBTQ+ community across the globe.

To help recruit more racially diverse talent, we have established talent pipelines with historically Black colleges and universities and have expanded the diverse slates of candidates we interview for open roles. To help solve the two-pronged issues of representation and pay equity, we must have more women and minorities in senior, high-paying roles. Last year, we celebrated the promotion of one of the largest and most diverse managing director classes in recent years.

## **Data Security and Privacy**

At Citi, our customers trust us to protect their most important assets and today their data is near the top of that list. We put the highest priority on keeping customer and Citi data safe and secure, and we understand the role we play in helping to protect the critical infrastructure that runs our financial system. With the proliferation of new technologies, the use of mobile and cloud and managed services to conduct financial transactions, a changing geopolitical landscape and the increasing sophistication of threat actors, Citi and other financial institutions have been and will continue to be subject to cyber incidents. Recognizing the significance of these risks, Citi employs a threat-focused, data-driven strategy to protect against, detect, respond to and recover from cyberattacks. We actively participate in industry, government and cross-sector knowledge-sharing groups to enhance our resilience. We also devote significant resources to implement, maintain, monitor and regularly upgrade our systems and networks. In addition, we have implemented multiple layers of controls, including intrusion detection and prevention, endpoint detection and response, as well as various other prevention, detection and response processes.

The fair, ethical and lawful collection, use and processing of customers' personal information is essential to build trust, provide best-in-class services and achieve our corporate objectives. To help meet this goal, Citi has established both a global Chief Privacy Officer, as part of our

Independent Compliance Risk Management team, and a global Chief Privacy Counsel, under the General Counsel's Office. Our privacy program provides a framework for Citi businesses and functions to manage privacy and confidentiality risks for the firm.

Citi does not sell personal information. In our U.S. consumer business, as reflected in our privacy notices (sample enclosed in the appendix), Citi shares information with third parties we partner with and those that provide services to us in the operation of our business. These third parties are required to comply with our privacy requirements. Controls and monitoring are in place to ensure they are compliant. Citi may share de-identified or aggregated information with third parties to help deliver products and services and for other business purposes. We allow customers to opt out of affiliate or third-party sharing for marketing.

### **Approach to Emerging Technologies**

Citi prides itself on both financing emerging technologies to enable progress and leveraging them responsibly to better serve our customers. With a focus on risk and controls as our guiding principle, we believe new technologies can help us meet changing needs in the market and improve the user experience for our clients. For example, our digital wallet investments and our partnerships with mature digital wallet providers enable us to streamline and simplify payments across merchants and devices. Similarly, we leverage artificial intelligence in fraud prevention and for credit-scoring, in support of our responsible and customer-centric approach to decision-making.

Last year, we established a dedicated Center of Excellence for Artificial Intelligence and Machine-Learning (AI/ML) to develop best practices and help set standards for AI/MI in our products and services. This group will enhance our internal processes and further strengthen our risk and control functions in line with the AI/ML ethical principles we had already developed. We are committed to the safe use of AI/ML across the bank, under strong governance, so we can stay at the forefront of digital developments and continue innovating at a pace that helps us compete and deliver for our clients.

In the distributed ledger technologies (DLT) and digital assets space, Citi is focusing resources and efforts to adapt to the fast-evolving environment and the risks and opportunities it brings, including client interest, regulatory developments and technology advancements. We are taking a measured approach based on client demand and under strong governance scrutiny, and only as allowed by our regulators. Similar to our approach to AI/ML, we launched a DLT Center of Excellence this year. It will enable us to consistently drive appropriate levels of governance, risk management and responsible innovation in any use of DLT and digital assets across the organization.

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I hope my pride in Citi's story has come through, but I also want to be clear about recognizing the need to continue improving: We're never satisfied with where we are, and we strive to build an even better bank for the future. Thank you for the opportunity to speak with you about the work we're doing to support American consumers and businesses.

## **Appendix**

### **Approach to Consumer Fees**

Through our Affordable Access to Banking Initiative, we continue to expand banking services across the U.S., including in communities of color, by offering the Citi Access Account Package. This initiative includes low or avoidable monthly service fees, low-cost checking and savings products along with digital capabilities to several national and regional community partners such as the National Urban League, and the Local Initiatives Support Corporation.

Citi eliminated overdraft and non-sufficient funds (NSF) fees earlier this year. This change didn't happen overnight and demonstrates our long-held commitment to have a customer-friendly approach to fees. Importantly, we did not eliminate the ability to overdraft, just the fee, allowing for needed customer flexibility. Before eliminating this fee in 2022, Citi collected approximately \$103 million in overdraft and NSF fees in the U.S. in 2021.

Other fees charged on deposit and credit products include fees for late payments, annual fees and monthly service fees and wire transfer fees. With respect to fee revenues paid by retail and credit card customers to Citi in the U.S., the amount reported in 2021 was approximately \$2.7 billion or about 8% of Citi's total revenue in North America. This revenue and the percentage of revenue they account for have been relatively consistent over the last 10 years.

### **Arbitration clauses in contracts with consumers, employees, investors, and contractors**

Select consumer products offer arbitration as a way to resolve disputes with an opt-out right for retail bank and credit card customers, and there are no arbitration clauses in our mortgage products. We do require arbitration of employment disputes for U.S. employees, as permitted by law and as is customary in many firms in our industry and others. Our arbitration agreements with our employees specifically state that they are not prohibited from reporting their concerns to government agencies, such as the Equal Employment Opportunity Commission, other state and local human rights agencies or our regulators.

### **Capital Markets Activities**

Citi's Banking, Capital Markets and Advisory division provides comprehensive relationship coverage and a full suite of products and services in an effort to be the best possible financial partner to its institutional clients. More information on Citi's offerings within this division can be found at <https://icg.citi.com/icg/home/what-we-do/bcma>.

### **Compensation, including minimum wage, and claw back policies.**

Citi's compensation policy is designed to encourage prudent risk-taking and management of controls while attracting the world-class talent necessary to our success. Our approach is summarized by the following five objectives: reinforce a business culture based on the highest ethical standards; manage our risks by encouraging prudent decision-making; reflect regulatory guidance in compensation programs; attract and retain the best talent to lead us to success; and

align compensation programs, structures, and decisions with stockholder and other stakeholder interests.

To support compensation decisions and to promote accountability among executives, we evaluate their performance across four pillars – risk and control, financial, client and franchise and leadership. The results of these evaluations, combined with the market rates of pay adjusted to reflect each executive officer’s experience and the scope of his or her role in our system, form the basis for our compensation committee’s determination of incentive compensation amounts.

We provide a minimum hourly wage of \$18 for all U.S. employees; the average teller is paid more than \$21 per hour; and the median hourly wage is \$46.88. In 2021, CEO Jane Fraser’s compensation compared to the median pay of U.S. employees was a ratio of 211 to 1.

Our robust claw back policies are applicable to incentive awards to executive officers and all other employees eligible for similar awards. We reserve the right to recover unvested deferred incentive compensation under a range of misconduct scenarios and adverse outcomes. We will also consider making public disclosures whenever a decision has been made to cancel deferred compensation payable to an executive officer because he or she had significant responsibility for a material adverse outcome or otherwise.

In regards to employee bargaining rights, we respect the legal rights of our employees.

## **Environmental and Social Risk Management**

Citi manages and mitigates credit and reputational risk through a number of internal initiatives, including Citi’s Environmental and Social Risk Management (ESRM) Policy. The ESRM Policy provides the framework for how Citi identifies, mitigates and manages the potential environmental and social risks associated with customers’ activities that could lead to credit or reputational risks to the company. More information on Citi’s ESRM policy can be found here: <https://www.citigroup.com/citi/sustainability/policies.htm>.

Climate change presents risks to Citi and its clients that will increase over time. We are committed to helping our clients mitigate these risks and transition to cleaner energy. To that end, we committed Citi to net zero emissions by 2050 and we presented our initial approach to get there in our most recent Taskforce on Climate-Related Financial Disclosures Report that can be found at <https://www.citigroup.com/citi/sustainability/data/taskforce-on-climate-related-financial-disclosures-report-2021.pdf>. In 2021, Citi also committed to \$1 trillion in sustainable finance by 2030. More information on that commitment can be found at <https://blog.citigroup.com/2021/04/citi-commits-1-trillion-to-sustainable-finance-by-2030/>.

## **Government Benefits**

The government and many private sector industries have a symbiotic relationship that helps the U.S. economy function as efficiently and productively as possible. Citi has directly benefitted from government programs and facilities, including FDIC insurance and access to the Federal

Reserve's Discount Window. Banks also benefit indirectly from government activities that promote macroeconomic stabilization.

But in turn, banks provide an important benefit to the government and the broader economy through the services we offer. For example, banks, including Citi, served as a conduit for the government to deliver relief to Americans during the pandemic, including the Paycheck Protection Program (PPP). Citi donated its net profits from PPP to community development financial institutions across the country. Citi also supports the federal government directly as a client in providing financial services at home and across the globe.

### **Pandemic Relief**

During the pandemic, for our small business customers, we offered waivers on monthly service fees and remote deposit capture fees, as well as penalty waivers for early Certificate of Deposit withdrawals. Citi exited the direct mortgage servicing business in 2019, however, our mortgage sub-servicer continues to provide forbearance, loss mitigation, foreclosure and eviction practices in compliance with the CARES Act, GSE and other governmental pronouncements.

During the pandemic, we also expanded access to check cashing services for non-customers, eliminated surcharges for prepaid debit cards issued for stimulus payments and adjusted policies and procedures covering the garnishment of customer stimulus payments. For internal matters (i.e., where a customer owes funds to Citi), Citi continues to prohibit levying on any CARES Act or stimulus payments identified by the bank. For third-party garnishment orders, Citi complies with applicable state and federal laws and acts in conjunction with regulatory guidelines.

### **Mergers, Acquisitions and Divestitures**

Citi announced its intention to exit the consumer businesses in a number of markets including Australia, Philippines, Malaysia, Thailand, Vietnam, Indonesia, Bahrain, Taiwan, India, Russia, South Korea, China, Mexico, Russia and Poland. We have made significant progress towards divesting these businesses, signing sale agreements in nine of these markets, and closing two sales. In addition, we have announced the wind-down of the consumer businesses in Korea. In each of these markets, we will continue to serve our institutional clients through our ICG franchise. For Russia, we recently announced our intent to wind-down the local consumer and commercial banking operations, and intend to support our multinational institutional clients, particularly those that are undergoing the complex task of unwinding their own operations in Russia. Citi does not have any pending or recent mergers and acquisitions in the U.S.

### **Share buybacks, dividend payments, and other capital distributions**

See Citi Supplemental Data.

### **Public enforcement actions against Citi by a Federal or State government agency since reported to the Committee in May 2021**

See Citi Supplemental Data.

## Citi Supplemental Data

**Public enforcement actions against Citi by a Federal or State government agency since reported to the Committee in May 2021**

Matter	Date	Regulator	Description of Allegations	Economic Sanction	Number of Customers	Settlement Document
In the Matter of: Citibank, N.A. and Citigroup Global Markets Limited	September 27, 2021	CFTC	Citibank, N.A. ("CBNA") and Citigroup Group Global Markets Limited ("CGML") entered into a settlement (the "Settlement") with the U.S. Commodity Futures Trading Commission ("CFTC"), in connection with Citi's swap reporting practices.	\$1,000,000.00	Not Applicable	<a href="https://www.cftc.gov/PressRoom/PressReleases/8428-21">https://www.cftc.gov/PressRoom/PressReleases/8428-21</a>
State of New Mexico ex rel. Integra REC, LLC Civil Litigation Settlement	November 19, 2021	New Mexico Attorney General	On November 19, 2021, the New Mexico AG settled civil litigation it brought against seven financial institutions, including Citigroup Global Markets Inc. ("CGMI"), for \$32.5 million collectively, resulting in the dismissal of allegations that the institutions did not adequately disclose the characteristics of certain mortgage-backed securities ultimately purchased by New Mexico pension funds and a state-run investment council in around 2003-2010.	Non-public settlement allocation.	To the extent this matter affected customers, this settlement does not provide specific information about any such customers.	<a href="https://www.nmag.gov/uploads/PressRelease/48737699ae174b30ac51a7eb286e661f/Attorney_General_Balderas_Reaches %2432.5_Million_Settlement_with_Financial_Institutions.pdf">https://www.nmag.gov/uploads/PressRelease/48737699ae174b30ac51a7eb286e661f/Attorney_General_Balderas_Reaches %2432.5_Million_Settlement_with_Financial_Institutions.pdf</a>

## Citi Supplemental Data

The following table sets forth Citigroup's risk-based capital and leverage ratios at year-end for each of the past ten years, as reported in Citigroup's FR Y-9C:

	December 31, 2012	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Common Equity Tier 1 Capital ratio <sup>(1)(2)(3)(4)</sup>	N/A	N/A	13.07%	14.60%	14.35%	12.99%	11.86%	11.79%	11.51%	12.25%
Tier 1 Capital ratio <sup>(2)(3)(4)(5)</sup>	14.04%	13.65%	13.07%	14.81%	15.29%	14.48%	13.43%	13.33%	13.06%	13.91%
Total Capital ratio <sup>(2)(3)(4)(5)</sup>	17.25%	16.63%	14.51%	16.69%	17.33%	16.77%	16.14%	15.87%	15.33%	16.04%
Tier 1 Leverage ratio <sup>(3)(4)</sup>	7.48%	8.19%	9.01%	10.18%	10.09%	8.82%	8.32%	7.96%	7.37%	7.21%
Supplementary Leverage ratio <sup>(3)(4)(6)(7)</sup>	N/A	N/A	N/A	N/A	7.58%	6.77%	6.40%	6.20%	6.99%	5.73%

(1) For periods presented prior to December 31, 2014, Citigroup's Common Equity Tier 1 Capital ratio was not reported in the FR Y-9C.

(2) Commencing in 2014, Citigroup's Common Equity Tier 1 Capital, Tier 1 Capital, and Total Capital ratios reflect application of the U.S. Basel III rules, including the "capital floor provision" of the so-called "Collins Amendment" of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires Advanced Approaches banking organizations, including Citi, to calculate each of the three risk-based capital ratios under both the Standardized Approach and the Advanced Approaches, and to comply with the lower of each of the resulting risk-based capital ratios.

(3) Commencing January 1, 2014, the U.S. Basel III rules contain several differing, multi-year transition provisions, with various "phase-ins" and "phase-outs." With the exception of non-grandfathered trust preferred securities, which do not fully phase out of Tier 2 Capital until January 1, 2022, all other transition provisions have occurred and were entirely reflected in Citigroup's regulatory capital ratios beginning January 1, 2018.

(4) Commencing January 1, 2020, Citi's risk-based capital and leverage ratios reflect certain deferrals based on the modified regulatory capital transition provision related to the Current Expected Credit Losses (CECL) standard. For additional information, please refer to the "Capital Resources" section of Citigroup's 2020 Form 10-K.

(5) Citigroup's Tier 1 Capital and Total Capital ratios as of December 31, 2011 and December 31, 2012 reflected the application of Basel I credit risk and market risk capital rules. Citigroup's Tier 1 Capital and Total Capital ratios as of December 31, 2013 reflected the application of Basel I credit risk capital rules and Basel II.5 market risk capital rules.

(6) For periods presented prior to December 31, 2016, Citigroup's Supplementary Leverage ratio was not reported in the FR Y-9C.

(7) As of December 31, 2020, Citigroup's Total Leverage Exposure (the denominator of the Supplementary Leverage ratio) temporarily excluded U.S. Treasuries and deposits at Federal Reserve Banks. This temporary Supplementary Leverage ratio relief expired as scheduled on March 31, 2021. During the fourth quarter of 2020, as a result of the temporary relief, Citigroup's Supplementary Leverage ratio benefited 109 basis points. For additional information, please refer to the "Capital Resources" section of Citigroup's 2020 Form 10-K.

## Citi Supplemental Data

The following table presents the annual amount of share buybacks, dividend payments, and certain other capital distributions during each of the past ten years:

<i>In millions of dollar, except per share amounts</i>	2012		2013		2014		2015		2016		2017		2018		2019		2020		2021	
Common Share Dividends (per share amounts)	\$	0.04	\$	0.04	\$	0.04	\$	0.16	\$	0.42	\$	0.96	\$	1.54	\$	1.92	\$	2.04	\$	2.04
Common Share Dividends (total dollar amounts)		120		120		122		484		1,214		2,595		3,865		4,403		4,299		4,196
Common Share Repurchases		5		837		1,232		5,452		9,451		14,538		14,545		17,875		2,925		7,600
Preferred Stock Dividends		26		194		511		769		1,077		1,213		1,174		1,109		1,095		1,040
Preferred Stock Repurchases <sup>(1)</sup>		-		94		-		-		-		793		1,980		1,500		3,785		
Subordinated Debt Coupons <sup>(2)</sup>		669		686		828		945		1,071		1,196		1,213		1,176		1,172		1,153
Subordinated Debt Repurchases <sup>(1)(2)</sup>		234		952		1,494		3,242		1,651		1,087		1,847		-		-		-
Trust Preferred Securities Coupons		1,147		625		254		201		181		189		207		220		189		165
Trust Preferred Securities Repurchases <sup>(1)</sup>		5,216		7,348		2,170		-		-		-		-		-		-		-

(1) Represents all repurchases and redemptions prior to maturity, regardless of whether the capital instrument was fully replaced during the same quarter in which the repurchase or redemption was announced.

(2) Subordinated debt coupons and repurchases for the years ended December 31, 2011 and 2012 include amounts related to subordinated amortizing notes issued by Citigroup in connection with Tangible Dividend Enhanced Common Stock (T-DECS) units in 2009. Each T-DECS unit was comprised of a prepaid stock purchase contract and a subordinated amortizing note due December 15, 2012.



## FACTS

### WHAT DOES CITIBANK DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- account balances and employment information
- credit history and transaction history

#### How?

All financial companies need to share customer's personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Citibank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Citibank share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	Yes	Yes
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For nonaffiliates to market to you</b>	Yes	Yes

#### To limit our sharing

Call 1-888-214-0017 – our menu will prompt you through your choices. For TTY: we accept 711 or other Relay Service.

Please note:

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

#### Questions?

Call 1-888-214-0017. For TTY: we accept 711 or other Relay Service.

<b>Who we are</b>	
Who is providing this notice?	This notice is provided by Citibank, N.A. for its individual clients of its retail banking business in the United States.
<b>What we do</b>	
How does Citibank protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Citibank collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>• provide account information or give us your contact information</li> <li>• provide employment information or apply for a loan</li> <li>• make deposits or withdrawals from your account</li> </ul> We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account—unless you tell us otherwise.
<b>Definitions</b>	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• Our affiliates include companies with a Citi name; financial companies such as Citigroup Global Markets Inc.</li> </ul>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• Nonaffiliates we share with can include companies engaged in direct marketing and the selling of consumer products and services.</li> </ul>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• Our joint marketing partners include insurance companies and other financial companies.</li> </ul>
<b>Other Important Information</b>	
<p><b>For Vermont Residents:</b> We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures. For additional information concerning our privacy policies call 1-888-214-0017. For TTY: we accept 711 or other Relay Service.</p> <p><b>For California Residents:</b> We will not share information we collect about you with nonaffiliated third parties, except as permitted by California law, such as to process your transactions or to maintain your account.</p>	

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