

IN RE CITIGROUP INC.
SECURITIES LITIGATION

07 Civ. 9901 (SHS)

ECF Case

**DECLARATION OF RICHARD A. ROSEN IN SUPPORT OF
THE RESPONSES OF THE CITIGROUP DEFENDANTS TO
OBJECTIONS TO THE PROPOSED SETTLEMENT**

RICHARD A. ROSEN declares as follows:

1. I am a member of Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019, counsel for defendants Citigroup Inc., Charles Prince, Robert Rubin, Gary Crittenden, Robert Druskin, Thomas G. Maheras, Michael Stuart Klein, and David C. Bushnell. I submit this declaration in support of Defendants' Responses to Objections to the Proposed Settlement ("Defendants' Responses").

2. Attached are true and correct copies of the following documents, which are referenced in Defendants' Responses:

- Exhibit 1: Excerpt of Memorandum of Plaintiff Securities and Exchange Commission in Response to the Court's Order of August 17, 2010, *Securities and Exchange Commission v. Citigroup Inc.*, Civil Action No. 10-cv-1277-ESH (D.D.C. Sept. 8, 2010).
- Exhibit 2: Excerpt of Transcript of Status Hearing, *Securities and Exchange Commission v. Citigroup Inc.*, Civil Action No. 10-cv-1277-ESH (D.D.C. Aug. 16, 2010).
- Exhibit 3: Excerpt of Transcript of Hearing, *Securities and Exchange Commission v. Citigroup Inc.*, Civil Action No. 10-cv-1277-ESH (D.D.C. Sept. 24, 2010).
- Exhibit 4: Order, *In re Citigroup Inc. Securities Litigation*, 07 Civ. 9901 (SHS) (S.D.N.Y. Aug. 18, 2008).

- Exhibit 5: 2008 Voluntary FA Capital Accumulation Program Prospectus (Oct. 1, 2007).
- Exhibit 6: Letter from Richard A. Rosen, Esq., to Matthew M. Guiney, Esq. (Nov. 12, 2012).
- Exhibit 7: Certification of Plaintiff Daniel Brecher, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Apr. 6, 2009).
- Exhibit 8: Certification of Plaintiff Scott Short, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Apr. 6, 2009).
- Exhibit 9: Certification of Plaintiff Chad Taylor, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Apr. 6, 2009).
- Exhibit 10: Certification of Plaintiff Jennifer Murphy, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Apr. 6, 2009).
- Exhibit 11: Plaintiff Certification of Paul Koch, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Aug. 10, 2009).
- Exhibit 12: Plaintiff Certification of Mark E. Oelfke, *Brecher v. Citigroup Inc.*, Case No. 09-CV-0606 MJL (S.D. Cal. Aug. 10, 2009).
- Exhibit 13: Press Release, Securities and Exchange Commission, SEC Charges Citigroup and Two Executives for Misleading Investors About Exposure to Subprime Mortgage Assets: Citigroup Agrees to Pay \$75 Million Penalty (July 29, 2010).

3. I have been advised by Citigroup that Citigroup Inc. does not possess transaction records for its shareholders whose shares are held in street name by third-party broker-dealers.

4. I have also been advised by Citigroup that Citigroup Inc. does not possess complete or accurate records of purchases or sales by Citigroup shareholders that are registered in their own name as shareholders of record with Citigroup's transfer agent. Although the transfer agent has records of transfers of shares into or out of registered accounts, those movements may reflect transfers into or out of a third-party brokerage account rather than a purchase or sale of Citigroup stock. As a result, the transfer agent's records are not an accurate

means, in most cases, for identifying actual purchases or sales of Citigroup stock during a particular time period.

5. Paul L. Agnew, David E. Breskin, Dennis DeConcini and Steve A. Miller do not appear by name on the list of shareholders of record of Citigroup Inc. common stock for the time period February 26, 2007 through April 18, 2008, which was provided to the claims administrator in connection with this Settlement. Therefore, it appears that these individuals' shares must be held in street name.

In accordance with 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on January 18, 2013.



Richard A. Rosen

Exhibit 1

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

CITIGROUP INC.,

Defendant.

Civil Action No. 10-cv-1277-ESH

**MEMORANDUM OF PLAINTIFF SECURITIES AND EXCHANGE COMMISSION IN
RESPONSE TO THE COURT'S ORDER OF AUGUST 17, 2010**

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documents.¹ A detailed description of the evidence supporting the claims is set forth below at pages 5-14 together with references to an Appendix of Exhibits containing evidentiary material.

As set forth below, the Commission determined that the evidence established a failure by Citigroup to disclose material information concerning its investment bank's sub-prime exposure as a result of a lack of reasonable care by Citigroup executives and a deeply flawed disclosure process. The evidence did not, however, clearly demonstrate an intent to deceive by Citigroup executives. Messrs. Crittenden and Tildesley were personally involved in the development, drafting, review and approval of the misleading disclosures at issue. Mr. Crittenden personally made the misleading statements alleged in the Complaint. Internal documents provided to Messrs. Crittenden and Tildesley identified the super senior tranches of collateralized debt obligations ("CDOs") and liquidity put assets that were undisclosed as sub-prime exposure. A number of these documents, however, included an explanation as to why those assets were "excluded from analysis" of the investment bank's sub-prime exposure for internal purposes, and there is no witness testimony establishing that sub-prime exposure from super senior CDO tranches and liquidity puts was the subject of substantive attention during meetings attended by Mr. Crittenden or Mr. Tildesley relating to the company's disclosures. Although there is evidence that Mr. Tildesley received an electronic mail message containing a discussion as to whether certain draft disclosures may be interpreted as misleading, the evidence suggests that Mr. Tildesley assumed that the issue was fully addressed and resolved in subsequent revisions to the disclosure.

In sum, although Citigroup's failings were serious and significant, the evidence did not warrant the assertion of scienter-based claims under Section 10(b) of the Exchange Act or other

¹ During its investigation, the Commission's staff took the formal testimony of fourteen witnesses, conducted interviews of numerous additional witnesses and received and reviewed more than twenty-eight million pages of documents obtained from Citigroup and other sources.

scienter-based fraud provisions of the federal securities laws. See *Ernst & Ernst v. Hochfelder et al.*, 425 U.S. 185, 193 n. 12 (1976) (to sustain a fraud charge under Rule 10(b) and Exchange Act 10b-5, the Commission has the burden of establishing scienter, which is defined as “an intent to deceive, manipulate or defraud”). The Commission did not believe that allegations of “an intent to deceive, manipulate or defraud” were appropriate under all of the circumstances. *Id.* The Commission believes that the fraud claims it asserted under Section 17(a)(2) of the Securities Act together with the other violations of the securities laws alleged in the Complaint are entirely appropriate.

Section 17(a)(2) prohibits securities fraud and makes unlawful materially false or misleading misrepresentations and omissions in the offer or sale of securities. See 15 U.S.C. §77q(a)(2); see also *Aaron v. SEC*, 446 U.S. 680, 697 (1980); *Ernst & Ernst v. Hochfelder et al.*, 425 U.S. 185, 195 (1976). A misrepresentation or omission is material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. See *Basic, Inc. v. Levinson*, 485 U.S. 224, 231 (1988). Section 17(a)(2) does not require a showing of scienter. See *Aaron*, 446 U.S. at 696-697. Liability for a violation of Section 17(a)(2) does not require an intent to defraud and may be established based on negligent conduct. See *Weiss v. SEC*, 468 F.3d 849, 855 (D.C. Cir. 2006) (proof of negligence is sufficient to establish a violation of Section 17(a)(2)); *SEC v. Steadman*, 967 F.2d 636, 643 n. 5 (D.C. Cir. 1992)(same).

A detailed description of the evidence supporting the claims here follows:

First Quarter 2007

As alleged in the Complaint, shortly after joining Citigroup as its Chief Financial Officer, Mr. Crittenden requested information and briefings on Citigroup’s exposure to sub-prime

Exhibit 2

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CITIGROUP, INC.,

Defendant.

CA No. 10-1277 (ESH)

Washington, D.C.

Monday, August 16, 2010

2:00 p.m.

TRANSCRIPT OF STATUS HEARING
BEFORE THE HONORABLE ELLEN SEGAL HUVELLE
UNITED STATES DISTRICT JUDGE

APPEARANCES:

For the Plaintiff:

ERICA Y. WILLIAMS, ESQ.
LAURA B. JOSEPHS, ESQ.
U.S. Securities and Exchange
Commission
100 F Street, NE
Washington, DC 20549
202-551-4450

For the Defendant:

CHARLES E. DAVIDOW, ESQ.
BRAD S. KARP, ESQ.
SUSANNA BUERGEL, ESQ.
Paul, Weiss, Rifkind,
Wharton & Garrison, LLP
2001 K Street, NW
Washington, D.C. 20006-1047
202-223-7380

JONATHAN M. MOSES, ESQ.
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
212-403-1388

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1 exposures.

2 So what we detail in our complaint really is a breakdown in
3 communication at Citigroup, not some certain individuals
4 intentionally not including information about these assets in
5 the disclosures, but more of a breakdown in communication in the
6 disclosure process that resulted, and what SEC characterizes as
7 misleading disclosures concerning the subprime exposure. So I
8 do believe you can factually distinguish this case from the Bank
9 of America case.

10 And also, with regard to Judge Rakoff's April 25, 2009
11 decision in which he initially rejected the settlement, our
12 complaint is much more detailed than the complaint that was set
13 before Judge Rakoff. I know he did ultimately approve the
14 settlement for a \$150 million penalty earlier this year, with a
15 much more detailed complaint, similar to the allegations we've
16 brought here, a detailed analysis of what happened.

17 THE COURT: You have detailed analysis, but it hardly
18 strikes me -- if one reads this with at least an objective eye,
19 there is not the slightest hint that this is nothing more than a
20 miscommunication. You say senior management was aware that the
21 super-senior tranches were the source of the increased losses.
22 The company nevertheless continued to exclude the approximately
23 \$43 billion in subprime exposure.

24 This easily could be read to be at least misleading to the
25 investor if not something more. The fact that it's detailed

Exhibit 3

1 UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF COLUMBIA

3 -----X
4 SECURITIES and EXCHANGE COMMISSION,

5 Plaintiff

6 v.

Civil Action No. 10-1277

7 CITIGROUP,

8 Defendant

9 -----X Washington, D.C.

Friday, September 24, 2010

11:22 A.M.

10 TRANSCRIPT OF HEARING
11 BEFORE THE HONORABLE ELLEN SEGAL HUVELLE
12 UNITED STATES DISTRICT JUDGE

13 APPEARANCES:

14 For the Plaintiff: Erica Y. Williams, Asst. Chief Litigator
15 Scott W. Friestad, Assoc. Director
16 SECURITY and EXCHANGE COMMISSION
DIVISION of ENFORCEMENT
100 F Street, N.E.
Washington, DC 20549-4010
(202) 551-4450

17 For the Defendant: Brad S. Karp, Esq.
18 Susanna M. Buergel, Esq.
19 Charles E. Davidow, Esq.
PAUL, WEISS, RIFKIND,
WHARTON & GARRISON, LLP
2001 K Street, NW
Washington, DC 20004
(202) 223-7380

21
22 Court Reporter: Lisa Walker Griffith, RPR
23 U.S. District Courthouse
Room 6507
24 Washington, D.C. 20001
(202) 354-3247

25 Proceedings recorded by mechanical stenography, transcript
produced by computer.

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1 does not continue ad infinitum anyway. There will be a time
2 certain.

3 But I would like to know what policies and
4 procedures, perhaps they cross reference so that, if you are
5 going to submit them to the SEC and the SEC is going to
6 incorporate them in some fashion, there may be some policies
7 and procedures that are ignored or irrelevant, I would like
8 to know what it is that you are incorporating in the
9 agreement specifically. And there may be a way to have a
10 document attached. It may be that your disclosure
11 protections are set forth someplace so that in fact they can
12 be incorporated by reference in the Court's judgment.

13 MR. KARP: We can accommodate that, Your Honor.

14 THE COURT: And Citigroup did answer many of my
15 questions. But much to my surprise, the key question came to
16 for me as we went along. I think I understand the evidence
17 and I understand why there has not been a charge of scienter.
18 I think that reasonable minds can differ. But this is
19 compromise, this is a consent decree. Therefore, I don't
20 think it is my job to tell the SEC to go try to prove
21 scienter and maybe they would fail.

22 But it is my job in terms of the public to try to
23 make sure that we are assured that the procedures in place
24 going forward address the problems that have occurred. I
25 think it is important, I am willing to, subject to this

Exhibit 4

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 3/19/09

-----X
TILLIE SALTZMAN, : 07 Civ. 9901 (SHS)

Plaintiff, :

-against- :

ORDER

CITIGROUP INC., *ET AL.*, :

Defendants. :

-----X
LEONARD HAMMERSCHLAG, : 07 Civ. 10258 (SHS)

Plaintiff, :

-against- :

CITIGROUP INC., *ET AL.*, :

Defendants. :

-----X
PUBLIC EMPLOYEES' RETIREMENT : 08 Civ. 135 (SHS)
ASSOCIATION OF COLORADO, *ET AL.*,

Plaintiffs, :

-against- :

CITIGROUP INC., *ET AL.*, :

Defendants. :

-----X
JUDY G. FISHER, : 08 Civ. 136 (SHS)

Plaintiff, :

-against- :

CITIGROUP INC., *ET AL.*, :

Defendants. :
-----X

SIDNEY H. STEIN, U.S.D.J.

A pretrial conference having been held today, with counsel for all parties participating either in person or by telephone,

IT IS HEREBY ORDERED that, for the reasons set forth on the record,

1. These actions shall be consolidated for all purposes;
2. All future documents shall be filed via ECF in the consolidated action and

bear the following caption:

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In re CITIGROUP INC. SECURITIES LITIGATION. : 07 civ. 9901 (SHS)

-----x

3. The ATD Group is appointed as interim lead plaintiff;
4. The law firm of Kirby McInerney LLP is appointed as interim lead

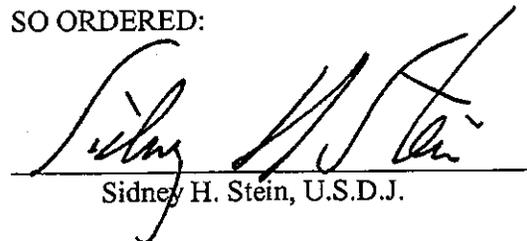
counsel; and

5. The following motions are terminated:

<u>Case No.</u>	<u>Motions</u>
07 Civ. 9901	4, 10, 13, 14, 17, 22, 41
07 Civ. 10258	11, 16, 19, 21
08 Civ. 135	3, 6, 8

Dated: New York, New York
August 19, 2008

SO ORDERED:



Sidney H. Stein, U.S.D.J.

Exhibit 5



2008 VOLUNTARY FA CAPITAL ACCUMULATION PROGRAM

For Smith Barney Financial Advisors and certain other
employees in the United States

PROSPECTUS

The date of this prospectus is October 1, 2007.

Important information about the contents of this document

The information contained in this document constitutes a prospectus covering securities that have been registered under the Securities Act of 1933 in connection with the Citigroup 1999 Stock Incentive Plan as amended and restated effective April 19, 2005, and as it may further be amended from time to time (the “Plan”).

This prospectus describes awards of restricted stock, deferred stock, and stock options (together “equity incentive awards” and each an “equity incentive award”) to be made under the Plan in or after July 2008 in connection with the 2008 Voluntary FA Capital Accumulation Program (“FA CAP”). This prospectus does not relate to equity incentive awards granted under any other Citigroup program at any other time.

As used in this prospectus, “Citigroup” means Citigroup Inc., a Delaware corporation. “Company” or “Citi” means Citigroup and its consolidated subsidiaries. The “Committee” means the Personnel and Compensation Committee of the Board of Directors of Citigroup or any other person or committee having delegated authority over the administration of the Plan. The “Code” means the U.S. Internal Revenue Code.

The Committee may establish different program guidelines for different groups of participants. If there is a conflict between the Plan and this prospectus, the Plan will control. The Company is free to change its practices and policies regarding equity awards at any time in its sole discretion.

FA CAP is a voluntary program. Consult your financial planner and tax adviser and consider your personal and financial situation carefully before deciding whether to enroll.

Neither this prospectus nor any other program communication constitutes legal or tax advice and should not be considered a recommendation to participate in FA CAP.

The value that may be realized from an equity incentive award, if any, is contingent and depends on the future market price of Citigroup common stock, among other factors. Any monetary value assigned to an equity incentive award in any communication about the award is contingent, hypothetical, or for illustrative purposes only and does not express or imply any promise or intent by the Company to deliver — directly or indirectly — any certain or determinable cash value to a participant.

Any actual, anticipated, or estimated financial benefit to a participant from an award shall not be deemed to be an integral part of the participant’s compensation from employment, and any actual, anticipated, or estimated value of an award (and/or the cancellation of such award) will not be used in any measure or calculation of any statutory, common law, or other termination or severance payment to the participant.

If there is a conflict between the Plan and this prospectus, the Plan will control. If there is a conflict between your award agreement and the prospectus, the award agreement will control. This document does not constitute either a contract of employment or a guarantee of continued employment for any definite period of time. Unless otherwise provided by law or a written agreement between a participant and the Company, employment is always on an at-will basis.

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Overview

FA CAP is a voluntary program designed to provide eligible employees the opportunity to have a percentage of their compensation paid in the form of awards of restricted or deferred common stock of Citigroup (“CAP Shares”).

FA CAP awards are made twice each year. The number of shares in a CAP award is calculated using a 25% discount from the average of the closing prices of Citigroup common stock on the last trading day of each of the six months prior to the award date.

The vesting period for CAP Shares is two years from the award date. CAP Shares do not vest until the end of the vesting period and the shares are delivered to you, provided you have remained continuously employed by the Company or otherwise have met all vesting conditions.

You will have an opportunity to make an election (a “stock option election”), under which you can receive a stock option (a “CAP Option”) in place of 25%, 50%, 75%, or 100% of your CAP Share award. If you make the stock option election you will receive four option shares for each share by which you elected to reduce your CAP Share award. Options issued in connection with the stock option election are called CAP Options.

CAP Options will have a grant price equal to the closing price of Citigroup common stock on the New York Stock Exchange on the trading day immediately preceding the grant date. CAP Options vest over a four-year period at the rate of one-quarter per year and have a six-year term. With certain exceptions, the shares received upon the exercise of a CAP Option, including exercises that occur after a termination of employment, may not be sold for two years (the “two-year sale restriction”).

The restrictions on FA CAP awards are designed to provide an incentive for you to remain with the Company. Generally, FA CAP Shares will not vest (i.e., the awards will be canceled) if your employment terminates before the end of the vesting period. CAP Options generally will be canceled on your termination date. You should consider these provisions carefully before you decide to enroll in FA CAP. See pages 19-25 for details.

Generally, taxes on CAP Shares are deferred until the end of the vesting period. Taxes are payable when an option is exercised. See “U.S. Taxes” beginning on page 26 for details.

The Voluntary FA Capital Accumulation Program

Who is eligible to enroll in FA CAP?

There are two enrollment periods for 2008 FA CAP: Annual enrollment, which permits eligible employees to elect to receive awards in July 2008 and/or January 2009; and midyear enrollment for new hires, which permits eligible employees to elect to receive only the January 2009 award.

Annual enrollment eligibility. You are eligible to enroll in FA CAP for both the July 2008 and January 2009 awards if you are:

- A Financial Advisor (“FA”) employed by the Smith Barney division of Citigroup Global Markets Inc. (“Smith Barney”) or an account executive employed by the Futures Division of the Citigroup Corporate and Investment Banking Group (“CIB Futures Division”) and:
 1. Your “annualized qualifying compensation” as of September 30, 2007, was at least \$40,000, or
 2. You participated in 2007 FA CAP, regardless of your “annualized qualifying compensation” as of September 30, 2007.
- An exempt employee in the Smith Barney Private Client Division who is not eligible to receive a discretionary incentive compensation (bonus) award and:
 1. Your annual compensation is at least \$40,000, or
 2. You participated in 2007 FA CAP regardless of your current annual compensation level.
- A Smith Barney producing branch manager.
- Participated in 2007 Retail CAP, regardless of your “annualized qualifying compensation” as of September 30, 2007.

“Annualized qualifying compensation” is composed of current annual salary, annualized commissions, and annualized FA payments (both Recurring and Supplemental).

Midyear enrollment eligibility. You are eligible to enroll in 2008 FA CAP midyear for the January 2009 award if you are:

- A Smith Barney FA or an account executive employed by the CIB Futures Division and you were hired between November 1, 2007, and April 30, 2008, and your “annualized qualifying compensation” (or the equivalent from your previous employer), as of April 30, 2008, was at least \$40,000 or.
- An exempt employee in the Smith Barney Private Client Division who is not eligible to receive a discretionary incentive compensation (bonus) award and:
- You were hired between November 1, 2007, and April 30, 2008, and your annual compensation is at least \$40,000.

Due to tax restrictions, new hires who are 75 years old or will turn 75 during the vesting period are not eligible for midyear enrollment.

Note: Only U.S. employees are eligible to participate in FA CAP. Individuals whose earnings are not reported on a Form W-2 Wage and Tax Statement issued by the Company are not eligible to receive awards under FA CAP. In addition, individuals who participate in FA CAP and take a hardship withdrawal from FA CAP or from a Company 401(k) plan cannot elect to participate in FA CAP until the annual enrollment period following 12 months from the date of the hardship withdrawal. Employees, who, on the award date, are disabled for purposes of Section 409A of the Code are not eligible for an FA CAP award.

How does FA CAP work?

As a FA CAP participant, you can make a prospective election to have a portion of your applicable compensation paid in the form of a restricted or deferred stock award (a "CAP Share award"), which will be awarded on a pretax basis twice each year. Awards under 2008 FA CAP will be dated July 1, 2008, and January 2, 2009.

If your percentage election for an award period results in pretax compensation to be paid in the form of a CAP award equal to \$500 or less, you will not receive a CAP award for that period. Instead you will receive a cash payment (without interest) equal to the dollar amount of your election.

FA CAP is a voluntary program and you are not required to participate. However, once you have made the decision to participate for a given calendar year, percentage elections are irrevocable and may not be changed or discontinued, except as described above. You may discontinue participation or modify your percentage elections only during the annual enrollment period for the following calendar year. Consider the provisions of the program carefully before you decide to enroll.

To participate, you must make an election during each enrollment period. Elections are not carried forward from year to year.

How is the number of shares in a CAP Share award determined?

The number of shares in your CAP Share award is calculated by using a 25% discount from the market price of Citigroup common stock. For this purpose, the market price of Citigroup common stock is the average of the closing prices of the stock on the New York Stock Exchange on the last trading day of each of the six months prior to the award date.

Thus, the number of shares in your award is obtained by dividing the value of the award by 75% of the market price of one share of Citigroup common stock on the award date.

A CAP Share award is composed of "basic shares" and "premium shares."

- The basic shares are the number of shares awarded by using the market price without the benefit of the 25% discount.
- The premium shares are the additional number of shares awarded by applying the 25% discount.

Example

Assumptions:

- You have elected to participate at the 20% level.
- If you had not elected to participate, you would have had qualifying compensation of \$100,000 for the six-month period.

- The average month-end stock price of Citigroup common stock over the prior six months was \$50.

1. Determine the portion of your pretax compensation to be paid in the form of a CAP Share award:

$$20\% \times \$100,000 = \$20,000$$

2. Determine the discounted stock price:

$$\$50 \times 75\% = \$37.50$$

3. Calculate the number of shares in your CAP Share award.

$$\$20,000 \div \$37.50 = 533.33$$

Fractional shares will be rounded to the nearest second decimal place using a natural round.

The number of basic shares (the number of shares in your award calculated using a non-discounted market value) is:

$$\$20,000 \div \$50 = 400$$

The number of premium shares (the additional shares awarded as a result of the application of the 25% discount) is:

$$533.33 - 400 = 133.33$$

In this example, for the six-month period you would receive \$80,000 (less payroll taxes and other standard deductions) in cash compensation (\$100,000 less the \$20,000) plus an award of 533.33 CAP Shares. The market value of these shares (if unrestricted) would be \$26,666.50 (533.33 x \$50 = 26,666.50).

What is the stock option election?

FA CAP participants will have the opportunity to elect the form of the award they will receive. This process is called the stock option election.

By making a stock option election, you choose to receive 25%, 50%, 75%, or 100% of your FA CAP award in the form of a stock option. If you make the stock option election, you will receive a non-qualified CAP Option to purchase four times the number of shares by which you elected to reduce your CAP Share award. If you do not make the stock option election, your FA CAP award will be in the form of CAP Shares.

Once made, your stock option election is irrevocable.

If your award is in the form of restricted stock, you will be asked to make the stock option election approximately three months before each CAP award is made. For tax reasons, if your award is in the form of deferred stock, you will be asked to make the stock option election for both awards before December 31, 2007.

The ratios used for the 2008 FA CAP stock option election are based on Citigroup's current stock option valuation. See "CAP Options" beginning on page 13 for a description of the features of stock options granted under FA CAP.

What should I consider when deciding whether to make a stock option election?

Deciding to make a stock option election is a personal financial decision that should be based on your personal circumstances, your investment goals, and your estimate of how Citigroup common stock will perform in the future. You should carefully review the features of stock options and restricted and deferred stock awards as described in this prospectus and consider the following:

- Number of shares in the award: If you make the stock option election, you will be able to benefit in any appreciation in the price of Citigroup common stock on a greater number of shares than if you had not made the election.
- Market risk: Assuming you remain continuously employed throughout the vesting period and meet all other vesting requirements, you will receive Citigroup common stock following the vesting of your stock award(s), regardless of the market price of Citigroup common stock on the vesting date. On the other hand, the market price of Citigroup common stock must be higher than the grant price of a stock option for the option to have any value. In addition, a market risk is associated with the two-year sale restriction. See “Sale restriction” below.
- Dividends: You will receive dividends or dividend equivalents on your restricted/deferred stock award(s) throughout the vesting period. No dividends or dividend equivalents are payable on stock options.
- Sale restriction: Shares acquired upon exercise of a stock option are subject to a two-year sale restriction during which time you may not sell or otherwise transfer the shares. *With certain exceptions, the two-year sale restriction remains in place even if your employment with Citi is terminated.* During the two-year sale restriction, the market price of Citigroup common stock may decline and you will bear the market risk during that time. Citigroup common stock distributed to you following the vesting of your stock award(s) is not subject to a sale restriction and may be sold immediately, subject to any applicable personal trading policy restrictions.
- Vesting periods and option term: The vesting period for CAP Shares is two years. CAP Options vest 25% per year over four years; unless canceled sooner, options expire after six years.
- Termination or interruption of employment: In certain circumstances, the treatment of options is different from the treatment of restricted or deferred stock upon termination or interruption of employment. For more information, see “When you leave the Company and other changes in employment status” beginning on page 19.
- Irrevocable election: Once you make a stock option election, it is irrevocable.

When does the vesting period begin, and how long is it?

The vesting period for CAP Shares begins on the award date and runs for two years.

What happens if I leave Citi after electing to participate in FA CAP but before the date of a CAP Award?

If your employment is terminated for any reason after you have elected to participate in FA CAP but before the award date for any six-month period, your election to participate will be canceled and you will receive a payment equal to the amount of cash compensation that would have been paid to you had you not elected to participate in FA CAP for that particular award period.

Can I continue to participate in FA CAP if I transfer to another subsidiary or business unit or if my employment category changes to one that is not eligible for FA CAP?

If you transfer to a subsidiary that is a member of the "controlled group" of Citigroup (as defined under IRS regulations at Treas. Reg. § 1.409A-1(h)(3)): FA CAP awards granted prior to the time of transfer will continue to vest as scheduled. For compensation that has been allocated but for which an award has not yet been granted at the time of transfer, you will receive a FA CAP award on the next award date based on the allocations, if any, from your compensation relating to the period during which you were employed by FA. However, if, as of your date of transfer, the value allocated to the next upcoming FA CAP award is less than \$500, your election to participate will be canceled and you will, at the time of the award, receive a cash payment of the value allocated, prior to your transfer, to the next upcoming FA CAP award.

If you transfer to a subsidiary that is not a member of the "controlled group" of Citigroup: Your shares and options will be treated as if your employment had been terminated involuntarily other than for gross misconduct (See page 22), or, if applicable, you will be treated as if your employment had been terminated involuntarily after you have met an age and service rule. (See page 23).

For compensation that has been allocated but for which an award has not yet been granted at the time of transfer:

- If you have not met the Rule of 60 or the Rule of 75 on the date of transfer from FA, you will receive, at the time of your transfer, a cash payment of the value allocated, prior to your transfer, to the next upcoming FA CAP award.
- If you have met the Rule of 60 or the Rule of 75 on the date of transfer from FA, you will receive a FA CAP award of basic shares only on the next award date based on the allocations, if any, from your compensation relating to the period during which you transferred. However, if, as of your date of transfer, the value allocated to the next upcoming FA CAP award is less than \$500, you will receive, at the time of the award, a cash payment of the value allocated, prior to your transfer, to the next upcoming FA CAP award.

Can FA CAP be amended or terminated?

The Committee may in, its sole discretion, modify, amend, terminate or suspend your award or FA CAP any time, except that no termination, suspension, modification or amendment of your award or the Program shall (i) cause your award or the Program to become subject to, or violate, Section 409A of the Code, or (ii) except as provided in the paragraph below adversely affect your rights with respect to your award without your written consent.

The Committee may, in its sole discretion, but shall not be obligated to, modify or amend the provisions of your award and/or the Program, as necessary, to conform them to the requirements of Section 409A of the Code. To the extent Citigroup deems it necessary or appropriate to modify or amend your award and/or the Program you will receive a supplement to this prospectus describing any such changes.

CAP Shares

Your CAP Shares will be in the form of either restricted stock or deferred stock.

What is the difference between restricted stock and deferred stock?

- **Restricted stock** is issued and outstanding Citigroup common stock that remains subject to a restriction on sale or transfer for a specified period of time, called the vesting period, during which it is subject to cancellation if vesting conditions are not satisfied. During the vesting period you do not have ordinary voting rights. However, you can indicate to the plan administrator your voting preferences on matters submitted to a vote of shareholders, and it is the plan administrator's intention to vote all shares underlying restricted stock awards in proportion to the voting instructions received from participants. When your award has vested and shares of Citigroup common stock are distributed to you free of restriction, you will have the same voting rights as other Citigroup shareholders.

If you made a Section 83(b) election on a restricted stock award, you will receive regular dividends through the Citigroup transfer agent. These dividends will be treated as dividend income. See "U.S. taxes-restricted stock" on page 26.

However, if you do not make a Section 83(b) election on a restricted stock award, you will receive dividend equivalents paid through your payroll on or about the time that Citigroup distributes ordinary dividends to its shareholders. Dividend equivalents will be treated as ordinary compensation income. When your award has vested and shares of Citigroup common stock are distributed to you, you will have the same dividend rights as other Citigroup shareholders.

- **Deferred stock** is an unfunded, unsecured promise to deliver Citigroup common stock at the end of a specified period of time, called the vesting period, during which the award is subject to cancellation if vesting conditions are not satisfied. You will not have any right to vote on matters submitted to a vote of shareholders, either directly or through the plan administrator. You will receive dividend equivalents paid through your payroll on or about the time that Citigroup distributes ordinary dividends to its shareholders. Dividend equivalents will be treated as ordinary compensation income. When your award has vested and shares of Citigroup common stock are distributed to you, you will have the same voting and dividend rights as other Citigroup shareholders.

Neither restricted stock nor deferred stock may be sold, transferred (to a trust account, pursuant to a divorce decree, or otherwise), or assigned as collateral. See "When you leave the Company and other changes in employment status" beginning on page 19 for a description of how a termination of employment or a break in your employment affects awards of CAP Shares.

For U.S. financial accounting and reporting purposes, shares of restricted stock are considered outstanding during the vesting period; deferred stock is not considered outstanding until the deferred stock award vests and shares are distributed.

Will I get restricted stock or deferred stock? Does it matter to me?

The Committee determined the form of all stock awards based on a variety of factors, including the tax and accounting treatment of the award (both to you and to the Company) as well as other legal and regulatory considerations. Your CAP Shares will be in the form of deferred stock if you are a FA CAP participant who, on an award date or during the vesting period, will satisfy the “Rule of 75” or the “Rule of 60” as defined on page 23.

Award agreements will specify whether an award has been granted as restricted stock or deferred stock. The number of shares awarded and the cash amount that will be received as dividend or dividend-equivalent payments will be the same in each instance, and in most cases the vesting and cancellation provisions are identical.

When does the vesting period begin, and how long is it?

The vesting period for CAP Shares begins on the award date and runs for two years

What happens if there is a stock split during the vesting period?

Stock splits, conversions, and other transactions, events, or adjustments that affect the number of shares of Citigroup common stock outstanding may result in an adjustment to the number of shares subject to your award.

For example, if you received an award of 100 shares and Citigroup subsequently announces a 3-for-2 stock split, the number of shares in your award would be adjusted from 100 to 150 on the effective date of the stock split.

In the case of other transactions or events, the Committee, in its discretion, may make other equitable adjustments to your award.

Before 3:2 stock split	After 3:2 stock split
100 shares at \$48 = \$5,000 .	150 shares at \$33.33 = \$5,000

When will and how will I receive my shares?

Provided you remain continuously employed throughout the vesting period and/or otherwise meet all vesting requirements, you will receive your CAP Shares (less any shares withheld to pay applicable taxes), free of all restrictions, after the end of the vesting period. Prior to the vesting date, the Company will ask you to provide certain information to facilitate the vesting of the your shares.

Your vested shares (less any shares withheld to pay applicable taxes) will be, at your election:

- Deposited into your Smith Barney (SB) brokerage account or
- Registered in book-entry form under the Direct Registration System (DRS), in which event you will receive an account statement from Citigroup’s transfer agent. You can transfer the DRS book-entry position electronically to your bank or broker or request to have a certificate mailed to you.

Vesting is always subject to confirmation and final determination by the Committee that conditions to vesting have been satisfied. Until vesting, an award of restricted stock or deferred stock carries no shareholder rights, except as described in this prospectus.

Under what conditions would I *not* receive my shares?

CAP Shares are not earned until the shares have vested and have been distributed to you. Your shares will be canceled before the end of any vesting period if you voluntarily leave the Company or are terminated for gross misconduct. In other circumstances, you may receive all or some of your shares. See “When you leave the Company and other changes in employment status” beginning on page 19 for a description of how a termination of employment or a break in your employment affects your award.

In addition, the Company, to the extent permitted by applicable law, may retain for itself funds or securities otherwise payable to a participant under its equity programs to offset any amounts paid by the Company to a third party pursuant to any award, judgment, or settlement of a complaint, arbitration, or lawsuit of which you were the subject; to satisfy any obligation or debt that you owe the Company; or in the event an award is canceled according to the program guidelines. The Company may not retain such funds or securities, or set off such obligations and liabilities, as described above, until such time as they would otherwise be distributable to the participant in accordance with the terms of applicable award.

How will my shares be taxed?

Generally, income taxes on your CAP Shares are deferred until the end of the vesting period. See “U.S. Taxes” beginning on page 26.

Are there any restrictions on when I can sell my CAP Shares after they have vested?

Generally, there are no restrictions on the sale of CAP Shares after vesting. However, the Company has a Personal Trading Policy that covers employee trading in Citigroup securities. All employees who have access to material, non-public information about Citi may not buy or sell Citigroup securities while they are in possession of this material information. This policy is intended to help you avoid insider trading liability or the appearance of impropriety.

Certain employees whose jobs are such that they know about Citi’s quarterly earnings prior to the release of earnings to the public may not engage in transactions in Citigroup securities during quarterly blackout periods and always must obtain approval before making trades in Citigroup stock. In addition, certain business units may have more restrictive policies.

Consult your compliance officer or the general counsel for your business unit if you have any questions about the Personal Trading Policy and/or the applicability of these restrictions to your particular situation.

CAP Options

What is a stock option, and why is it valuable?

A stock option gives you the right to purchase a specified number of shares of Citigroup common stock at a fixed price called the grant price. Once the option has vested, you can purchase some or all of the shares in your option by exercising the option. Your option will remain in effect for a fixed period of time called the option term.

CAP Options are non-qualified for U.S. tax purposes. If you are granted a CAP Option, you will receive an agreement that sets out the terms and conditions of your grant. Unless and until you acquire shares by exercising an option, an option confers no shareholder rights.

A stock option is valuable if the market price of Citigroup common stock increases above the grant price. The potential value of your option will equal the difference between the grant price of the option and the current market price of the stock multiplied by the number of shares in your option. This difference is often referred to as the “spread” or “gain.”

For example, if you were granted an option to purchase 500 shares at a grant price of \$50 per share and, over time, the market price of Citigroup common stock increases by \$20, to \$70 per share, your option would have a potential value of \$10,000 ($\$20 \times 500 \text{ shares} = \$10,000$).

How is the grant price of my CAP Option determined?

The grant price is the closing price of Citigroup common stock on the NYSE on the trading day immediately preceding the grant date.

How long does my CAP Option remain in effect?

Your CAP Option will remain in effect for six years from the grant date, provided you remain continuously employed by the Company through that time. At the end of the six-year term, the option expires.

Except under certain circumstances, the right to exercise your CAP Option will terminate earlier if your employment is terminated. See “When you leave the Company and other changes in employment status” beginning on page 19 for the rules governing how a termination of employment or a break in your employment affects your grant.

If the expiration date of an option falls on any day that is not a trading day on the NYSE, the last day to exercise that option will be the trading day immediately preceding the expiration date.

It is your responsibility to know the expiration date of your option, and the Company is not required to notify you when an option is about to expire.

What is the vesting period for my CAP Option?

CAP Options vest in four equal annual installments beginning on the first anniversary of the grant date.

Vesting is always subject to confirmation and final determination by the Committee that conditions to vesting have been satisfied.

When can I exercise my CAP Option?

You can exercise your CAP Option in increments, on or after each vesting date, or you can wait to exercise all or a portion of the vested option shares at any time prior to the end of the option term as long as you remain continuously employed by the Company or otherwise remain eligible.

All stock option exercises will be processed according to the Citi Equity Compensation Department's administrative rules and deadlines

How can I exercise my CAP Option?

To exercise your CAP Option, you will need to pay the option cost (which is equal to the grant price multiplied by the number of shares exercised), plus any applicable taxes, brokerage commission, and fees associated with the exercise of your option.

There are three ways to exercise CAP Options. The current program guidelines for each of these exercise methods are described below.

The shares issued to you after covering the option cost, applicable taxes, brokerage commission, and fees are called "incremental shares." These incremental shares, which will be subject to a two-year sale restriction, will be delivered to your SB brokerage account.

If you do not have an SB brokerage account at the time of your exercise, Citi Equity Compensation reserves the right to process your exercise and deliver your shares according to the administrative procedures in effect at the time. Shares may be delivered in the form of a certificate or a Direct Registration System (DRS) statement.

To exercise your option, visit the Equity Compensation Web site (ECWeb) at <http://equitycompensation.citigroup.net>.

Cash purchase

You pay cash for the option cost of the number of shares you want to buy. If tax withholding applies to your exercise gain, you can:

- Pay the taxes in cash or
- Have shares withheld from the exercise.

When all funds are received and the exercise is completed, incremental shares equal to the number of option shares exercised minus the number of shares, if any, withheld for taxes will be delivered to you, subject to the two-year sale restriction. You do not pay a brokerage commission or fee with this method of exercise.

For tax purposes, the shares acquired upon exercise will be valued at the NYSE closing price on the trading day immediately preceding the date of exercise.

Stock swap

Payment of the option cost occurs by attestation. You use shares of Citigroup common stock that you have owned for at least six months to pay the option cost. The shares must be in your SB account at the time of exercise.

The shares you use may be from the vesting of restricted or deferred stock awards (including, without limitation, CAP Shares) that vested at least six months prior to the exercise date or any other shares of Citigroup common stock.

To determine the number of shares necessary to pay the option cost, your previously owned shares will be valued at the NYSE closing price on the trading day immediately preceding the date of exercise.

Any taxes must be paid by having shares withheld from the exercise. For tax purposes, the shares acquired upon exercise will be valued at the NYSE closing price on the trading day immediately preceding the date of exercise.

Incremental shares equal to the number of option shares exercised minus the number of previously owned shares used to cover the option cost and any shares withheld for taxes will be delivered to you, subject to the two-year sale restriction. You do not pay a brokerage commission or fee with this method of exercise.

GLAS information. The acquisition date of the shares used for a stock swap exercise must have been tracked using the Gain/Loss Analysis System (GLAS). *Shares that do not have GLAS information applied to them cannot be used in a swap exercise.* If you open an SB account and deposit Citigroup shares into the account, you must provide the acquisition date and cost basis to your broker who will record them in GLAS.

If you have an SB account that holds Citigroup shares and have not yet provided the acquisition date and cost basis to your broker, be sure to do so as soon as possible. Once the acquisition date and cost basis are recorded in GLAS, that information will be provided to Citi Equity Compensation so that the shares may be used in a stock swap exercise later. If shares are delivered to your SB account by Citi Equity Compensation, the GLAS information will be posted automatically so that you may use the shares for future exercises.

Sell-to-cover

Two transactions occur under this method:

1. Shares are sold at a current market price on the day of exercise in a sufficient number to pay the option cost, withholding taxes (if any), a brokerage commission, a U.S. government fee, and a mailing fee.
2. The sale proceeds are used to purchase shares equal to the number of option shares being exercised minus the number of shares sold to fund the costs of the exercise (as described in 1 above). These incremental shares will be subject to the two-year sale restriction; any residual cash proceeds from the sale will be delivered to you.

For tax purposes, the shares acquired upon exercise will be valued at the price of shares sold to fund the option cost.

For the sell-to-cover exercise method, Citi Equity Compensation will establish a “pass-through” account in your name at SB, and the transaction will be processed using this account. Assets cannot be held in the “pass-through” account. Incremental shares from the exercise will be delivered to you. Cash proceeds can be transferred from the pass-through account to your personal SB account or, if you do not have an SB account, a check will be mailed to you.

What should I do before I exercise my option?

To be prepared to exercise your option, you should open an SB brokerage account. You must notify Equity Compensation of your SB account number prior to the exercise.

If you have an SB brokerage account and own Citigroup common stock, be sure that the shares are being tracked using GLAS. GLAS information will be necessary to use the stock swap method of exercise.

What is the two-year sale restriction?

The shares you receive when you exercise your option may not be sold, transferred (to a trust account, pursuant to a divorce decree, or otherwise), or assigned as collateral for two years. Subject to the following, the two-year sale restriction remains in place even if your employment with the Company is terminated, subject to the following:

- If you die or are on an approved disability leave that has exceeded 12 months, the two-year sale restriction will be lifted on shares that were acquired prior to such event and will not apply to subsequent exercises.
- If you terminate employment after having satisfied an applicable “age and years of service” provision, the two-year sale restriction will not apply to exercises occurring after termination of employment but will remain in place for shares acquired prior to your termination of employment.

What are the risks associated with the two-year sale restriction?

The market price of Citigroup common stock may decline during the two-year sale restriction period, and you will bear the market risk during that time.

Under what conditions would I *not* be able to exercise my option and acquire shares?

Options will be canceled if you voluntarily leave the Company or are terminated for gross misconduct. In other circumstances, you may be permitted to exercise your option or a portion of your option for a limited time following the termination of your employment or a break in your employment. See “When you leave the Company and other changes in employment status” beginning on page 19 for a description of how a termination of employment or a break in your employment affects your award.

In addition, the Company, to the extent permitted by applicable law, may retain for itself funds or securities otherwise payable to a participant under its equity programs to offset any amounts paid by the Company to a third party pursuant to any award, judgment, or settlement of a complaint, arbitration, or lawsuit of which you were the subject; to satisfy any obligation or debt that you owe the Company; or in the event an grant is canceled according to the program guidelines. The Company may retain such funds or securities, as described above, at such time as they would otherwise be distributed to the participant in accordance with the terms of the equity programs.

Are there any other restrictions on when I can exercise my option or sell the shares acquired upon exercise?

Under Citi’s Personal Trading Policy, which is described on page 13, you may exercise a stock option at any time using the cash purchase or stock swap methods.

However, if you are subject to blackout period restrictions, during a blackout period you may not use the sell-to-cover method of exercise or sell any Citigroup shares. If you have any questions, consult your compliance officer or the general counsel for your business unit. You should carefully consider the method and timing of exercise for options that will expire during a blackout period.

What happens if there is a stock split during the vesting period?

Stock splits, conversions, and other transactions, events, or adjustments that affect the number of outstanding shares of Citigroup common stock may result in a corresponding adjustment to the number of shares in your option grant and the grant price of your option.

For example, if you received an option grant of 500 shares at a grant price of \$45, and Citi subsequently announced a 3-for-2 stock split, the number of shares in your option grant would be adjusted from 500 to 750 on the effective date of the stock split, and the grant price would be adjusted proportionately — to \$30 — so the intrinsic value of your option would not change as a result of the stock split.

Before 3:2 stock split	After 3:2 stock split
500 shares at \$50 = \$25,000	750 shares at \$33.33= \$25,000

In the case of other transactions or events, the Committee, in its discretion, may make other equitable adjustments to your option.

As an option holder, can I vote my shares or receive dividends?

No. Until you exercise your option and purchase shares, you do not own Citigroup stock. You are not eligible to receive dividends on your option, and you cannot vote the shares covered by your option.

Once you exercise your option and acquire shares, you will become a shareholder. Then you will have the right to receive dividends, and you may vote your shares on issues presented at Citigroup's annual meeting and at other shareholder meetings.

Can I sell my option or give it as a gift to a family member?

No. Under current program guidelines, your option may not be sold or transferred to anyone (including pursuant to a divorce decree) unless you die. During your lifetime, only you can exercise your option. If you die, your estate may exercise your unexercised option according to the program guidelines applicable to your grant.

When you leave the Company and other changes in employment status

If you terminate your employment with the Company or if there is a break or other change in your employment status, your awards may be canceled and their vesting and exercisability may be affected, as described below.

IF YOU:	HERE IS WHAT HAPPENS TO:
<p>Resign</p>	<p>Shares: Vesting stops, and unvested shares are canceled on your termination date. You will not receive any cash payment.</p> <p>Options: Vesting stops, and options are canceled on your termination date. You may exercise vested options on or before your termination date but no later than the original option expiration date.</p>
<p>Become disabled</p>	<p>Restricted shares: Shares continue to vest on schedule during the first 12 months of your approved disability leave pursuant to a Company disability policy. If you have remained on an approved disability leave pursuant to a Company disability policy for 12 months, outstanding shares will vest and the shares will be distributed to you.</p> <p>Deferred shares: Shares continue to vest on schedule during the first 12 months of your approved disability leave pursuant to a Company disability policy. If you have remained on an approved disability leave pursuant to a Company disability policy for 12 months, and:</p> <ul style="list-style-type: none"> • You have not met an age and years of service rule: Unvested shares will vest and the shares will be distributed to you, or • You have met an age and years of service rule: Your shares will continue to vest on schedule and will be distributed to you on the vesting date; <p>provided, however, that if at any time you are totally disabled as determined by the United States Social Security Administration and you provide Equity Compensation with appropriate documentation, unvested shares will vest immediately and the shares will be distributed to you.</p> <p>Options: Options continue to vest on schedule and may be exercised during the first 12 months of your approved disability leave pursuant to a Company disability policy.</p> <p>If you have remained on an approved disability leave pursuant to a Company disability policy for 12 months:</p> <ul style="list-style-type: none"> • Unvested options will vest immediately; you can exercise your options for up to two years thereafter but no later than the original option expiration date, and • The two-year sale restriction on shares received from an option exercise will not apply. <p>If you terminate your employment for any reason during your approved disability leave of absence: The applicable termination provisions will apply.</p> <p>Generally, for this provision, your approved disability leave will begin on</p>

	<p>the first day that you are not at work for the Company as a result of the disability.</p>
<p>Take an approved personal leave of absence</p>	<p>Shares: Shares will continue to vest for the first six months of an approved personal leave of absence. If your leave exceeds six months, your shares will be canceled, unless:</p> <ul style="list-style-type: none"> • On the date that your leave equals six months, you have met the Rule of 75 (as defined on page 23): Outstanding shares granted at least one year prior to your termination date will continue to vest and the shares will be distributed to you at the end of each award's vesting period*. For shares granted less than one year prior to your termination date, the basic shares will continue to vest on schedule and will be distributed to you at the end of each award's vesting period*. Premium shares will be canceled. • On the date that your leave equals six months, you have met the Rule of 60 (as defined on page 23): Your basic shares will continue to vest on schedule and will be distributed to you at the end of each award's vesting period*. Your premium shares will be canceled. <p>Options: Options continue to vest on schedule during the first six months of your approved personal leave of absence. You may exercise vested options during the first six months of your approved leave but no later than the original option expiration date. If your leave exceeds six months, your options will be canceled, unless:</p> <ul style="list-style-type: none"> • On the date that your leave equals six months, you have met the Rule of 75: Your options will vest and you may exercise vested options within two years after the date that your leave equals six months, but no later than the original option expiration date*. • On the date that your leave equals six months, you have met the Rule of 60: Your options will stop vesting and unvested options will be canceled. You may exercise vested options within two years after the date your leave equals six months, but no later than the original option expiration date.* <p>If you terminate your employment for any reason during your approved personal leave of absence, the applicable termination provisions will apply.</p> <p>*If the vesting and/or exercisability of your award continues because you have met one of the age and service rules, your award will be subject to cancellation if you compete with the Company's business operations and/or remain occupied in your business or profession.</p>

<p>Are on an approved military, family medical leave, maternity leave, dependent care leave, or other statutory leave of absence</p>	<p>Shares: Shares continue to vest while you are on a statutory leave of absence. If a statutory leave of absence is followed by a personal leave of absence, your shares will be canceled once the combined statutory and personal leave exceeds six months, unless you meet an age and service rule, in which event the applicable provision in the Approved Personal Leave of Absence provision above would apply</p> <p>Options: Options continue to vest while you are on a statutory leave of absence. You may exercise vested options during your statutory leave but no later than the original option expiration date.</p> <p>If a statutory leave of absence is followed by a personal leave of absence and:</p> <ul style="list-style-type: none"> • On the date that your combined leave equals six months, you have not met an age and service rule: Vesting will stop once the combined statutory and personal leaves exceeds six months. You may exercise vested options until the earlier of the date on which your combined statutory and personal leaves equal six months or the original option expiration date. • On the date that your combined leave equals six months, you have met an age and service rule: Your option will be treated as if you had resigned after having met the age and service rule. <p>If you terminate your employment for any reason during your approved statutory leave of absence: The applicable termination provisions will apply.</p> <p>You will remain eligible for new awards under FA CAP during your leave.</p>
<p>Die</p>	<p>Shares: Shares vest when you die and will be distributed to your estate.</p> <p>Options: Options vest when you die. Your estate may exercise your options for up to two years from the date of your death but no later than the original option expiration date. The two-year sale restriction will not apply to shares received from an option exercise.</p>
<p>Are terminated for gross misconduct</p>	<p>Shares and options: Shares and options will be canceled on your termination date, and you will not receive any cash payment.</p>

<p>Are transferred to a subsidiary of the Company that does not participate in FA CAP</p>	<p>Shares and options:</p> <ul style="list-style-type: none"> • If you transfer to a subsidiary that is a member of the “controlled group” of Citigroup: Shares and options will continue to vest on schedule. • If you transfer to a subsidiary that is not a member of the “controlled group” of Citigroup: Shares and options will be treated as if your employment had been terminated involuntarily other than for gross misconduct. <p>For this provision, “controlled group” is used as defined under Section 1.409A-1(h)(3) of the Treasury Regulations.</p>
<p>Are terminated involuntarily other than for gross misconduct including termination under a reduction in force or job discontinuance program (“terminated other than for gross misconduct”)</p> <p>Note: If you are eligible to terminate your employment under either of the age and service rules, the applicable rule on page 23 will apply</p>	<p>Shares: Basic shares and a prorated portion of the premium shares will vest on last day of active service with the Company, and the shares will be distributed to you. The prorated portion of the premium shares that vest will be calculated based on the number of days you were employed during the vesting period divided by the total number of days in the vesting period.</p> <p>Options: Vesting stops on your last day of active service with the Company. You may exercise vested options for up to 90 days after your termination date but no later than the original option expiration date.</p> <p>Note: If you are placed on salary continuation, active service with the Company shall continue until the last business day immediately preceding the first day of the salary continuation period.</p>
<p>Are employed by an employer that is acquired by another entity in a transaction that is a change in control under Section 409A of the Code</p>	<p>Shares and options: Shares and options will be treated as if your employment had been terminated involuntarily other than for gross misconduct, provided however, that the Committee may, in its discretion, accelerate the vesting of additional shares and/or options. Shares that vest as a result of the change in control will vest on the effective date of the change in control and will be distributed to you.</p> <p>You may exercise options that vested prior to the effective date of the change in control for up to 90* days after the effective date of the change in control but no later than the original option expiration date.</p> <p>*If you have met an age and service rule at the effective date of the change in control, the shares that vest and the period during which your options may be exercised will be in accordance with the applicable rule on page 23.</p>

<p>Meet the “Rule of 75” You have completed a number of full years of service that, when added to your age, equal at least 75.</p>	<p>Shares: Shares continue to vest on schedule while you are employed by the Company.</p> <p>If you are no longer employed by the Company, outstanding shares granted at least one year prior to your termination date will continue to vest and the shares will be distributed to you at the end of each award’s vesting period provided that you are not occupied in your business or profession and do not engage in any activities that compete with the Company’s business operations. For shares granted less than one year prior to your termination date, the basic shares will continue to vest on schedule and will be distributed to you at the end of each award’s vesting period provided that you are not occupied in your business or profession and you do not engage in any activities that compete with the Company’s business operations. Premium shares will be canceled.</p> <p>Options: Options continue to vest on schedule while you are employed by the Company. Any unvested options will vest on your termination date. You may exercise vested options within two years of your termination date, but no later than the original option expiration date, provided you are not occupied in your business or profession and you do not engage in any activities that compete with the Company’s business operations.</p>
<p>Meet the “Rule of 60” You are at least age 55 with at least five full years of service, but you do not meet the Rule of 75.</p>	<p>Shares: Shares continue to vest on schedule while you are employed by the Company. If you are no longer employed by the Company:</p> <ul style="list-style-type: none"> • Basic shares will continue to vest on schedule and will be distributed to you at the end of each award’s vesting period provided you are not occupied in your business or profession and do not engage in any activities that compete with the Company’s business operations. • Premium shares will be canceled. <p>Options: Options continue to vest on schedule while you are employed by the Company. Vesting stops on your termination date, and unvested options are canceled. You may exercise vested options within two years of your termination date, but no later than the original option expiration date, provided you are not occupied in your business or profession and you do not engage in any activities that compete with the Company’s business operations.</p>
<p>Are terminated involuntarily other than for gross misconduct and meet either the Rule of 60 or the Rule of 75</p>	<p>Shares: All or a portion of your CAP shares will continue to vest on schedule and will be distributed to you at the end of each award’s vesting period. The number of shares that continue to vest will be the greater of (a) the number that you would receive upon an involuntary termination other than for gross misconduct or (b) the number that would continue to vest under the applicable age and service rule.</p> <p>Options:</p> <ul style="list-style-type: none"> • If you meet the Rule of 75: Options vest on your termination date. You may exercise vested options within two years of your termination date, but no later than the original option expiration date, • If you meet the Rule of 60: Vesting stops on your termination date, and unvested options are cancelled. You may exercise vested options within two years of your termination date, but no later than the original option expiration date.

Notes to the chart

- The Committee determines what constitutes competition and gross misconduct. Gross misconduct includes, but is not limited to, conduct that is in competition with the Company's business operations, that breaches any obligation to the Company or duty of loyalty, or that is materially injurious to the Company, monetarily or otherwise.
- In any instance where the vesting of shares or the vesting and/or exercisability of an option extends past the termination of your employment, your shares and options will be canceled if, in the determination of the Committee, you engage or have engaged in conduct that:
 - Is in material competition with the Company's business operations;
 - Breaches any obligation to the Company or duty of loyalty; or
 - Is materially injurious to the Company, monetarily or otherwise.
- If, in the determination of the Committee, you engage or have engaged in conduct that is in competition with the Company's business operations or breaches your duty of loyalty or is materially injurious to the Company, monetarily or otherwise, while holding any incremental shares subject to a sale restriction, such incremental shares may be canceled. Instead, you will receive a cash payment (without interest) equal to the grant price of the option under which the incremental shares were issued multiplied by the number of incremental shares canceled.
- For purposes of satisfying the Rule of 75 and the Rule of 60, service with Legg Mason will count toward your years of service.
- For all purposes under this program, a participant's employment shall be deemed terminated as of the last day of the participant's active service to the Company, regardless of any entitlement to notice, payment in lieu of notice, severance pay, termination pay, pension payment, or the equivalent that may be provided by any other plan, contract, or law.
- If the last day on which an option may be exercised according to a provision in the chart is not an NYSE trading day, then the option must be exercised on or before the NYSE trading day immediately preceding such date.
- It is your responsibility to know the expiration date of your option. The Company is not required to notify you when an option is about to expire.

Notwithstanding anything to the contrary in the chart above, any distribution of deferred stock made upon termination of employment of a "specified employee," as defined in Section 409A of the Code, will not be made until the date that is six months after the specified employee's separation from service, except that in the event of such specified employee's death, the deferred compensation will distributed earlier.

U.S. taxes

The following is a brief explanation of certain U.S. federal income tax laws and their application to restricted and deferred stock awards and stock options granted under the Plan. This explanation is intended for U.S. employees only and does not address state or local income taxation or the tax rules for foreign jurisdictions.

Regardless of your tax-paying status, you should consult your personal tax adviser to determine the applicability or interpretation of any federal, state, local, and foreign tax laws that may be relevant to your individual situation. Future legislation may change the current tax laws; such changes would take precedence over the interpretation in this prospectus and any applicable prospectus supplement. Changes in your personal situation, such as a change in your country of residence, also may affect the tax consequences of your award.

The Company and its employees are not in the business of providing tax or legal advice to any taxpayer outside of the Company, and information in this prospectus should not be construed as tax advice to any individual Plan participant. This prospectus is not intended to be used, and cannot be used or relied on, by any taxpayer to avoid tax penalties. CAP participants should seek advice based on their particular circumstances from independent legal and tax advisers.

Restricted stock

Taxation of employee. Generally, you are required to include as ordinary income an amount equal to the fair market value of the restricted stock at the time such restricted stock is no longer subject to a “substantial risk of forfeiture” within the meaning of Section 83 of the Code.

Restricted stock is no longer subject to a “substantial risk of forfeiture” upon the expiration of the vesting period or on such earlier date when the restricted stock becomes fully vested as described under “When you leave the Company and other changes in employment status” beginning on page 19. Income and payroll taxes are required to be withheld on the amount of ordinary income attributable to the restricted stock at the time it is no longer subject to a substantial risk of forfeiture.

If shares are withheld from the shares otherwise issuable to you upon vesting to satisfy tax-withholding obligations, such shares will be withheld at the minimum statutory withholding tax rate, currently 25%. When total supplemental payments in a calendar year exceed \$1 million, the rate on such excess is 35%.

If, for any reason, an award of restricted stock is canceled, the cancellation will not be a taxable event.

Section 83(b) election. You may make a Section 83(b) election to include as income in the year the restricted stock is awarded to you by the Company (i.e., the date of the award) an amount equal to the fair market value of the restricted stock on the date of the award (as if the restricted stock were unrestricted and could be sold or transferred immediately).

If you make a Section 83(b) election, you will not be subject to taxation when the restricted stock vests.

*To make a Section 83(b) election, you will be responsible for filing the appropriate form with the IRS and notifying Citigroup Equity Compensation within 30 days of the date of the award that you made a Section 83(b) election. If you do not notify **both** the IRS and Equity Compensation, your election may be invalid.*

If a restricted stock award subject to the Section 83(b) election is subsequently canceled, no deduction or tax refund will be allowed for the amount included as income as a result of the Section 83(b) election. If the value of the award is less on the date(s) that it vests than on the date awarded, you will not receive a refund of the difference between the amount of taxes paid on the award date and the amount of tax that would have been paid on the vesting date had you not made a Section 83(b) election. However, you will have a cost basis in the stock equal to the higher award-date value, which will reduce any future capital gain or increase any future capital loss.

Taxation of employer. The Company generally will be entitled to a deduction, for federal income tax purposes, in the amount of the ordinary income you recognize at the time you recognize such income.

Dividend equivalents/dividends. Dividend equivalents paid through payroll on shares of restricted stock during the vesting period will be taxable to you as compensation, assuming you have not made a Section 83(b) election. Income and payroll taxes are required to be withheld on such amounts. The Company generally will be entitled to a deduction, for federal income tax purposes, for such payments.

However, if you made a Section 83(b) election, you will receive dividends paid through the Citigroup transfer agent. The dividends will be taxable as dividend income subject to the same rate as capital gains income. See “Subsequent sales of restricted or deferred shares” on page 28. The Company will not be entitled to a deduction for such dividends and income, and payroll taxes will not be withheld on such amounts.

Deferred stock

Taxation of employee. Generally, you are required to include in ordinary income an amount equal to the fair market value of the deferred stock at the time the deferred stock is distributed to you or otherwise constructively received by you. Income taxes are required to be withheld on the amount of ordinary income attributable to the deferred stock on the date that the shares are distributed.

If shares are withheld from the shares otherwise issuable to you upon vesting to satisfy tax-withholding obligations, such shares will be withheld based on the minimum statutory withholding tax rate, which is currently 25%. When total supplemental payments in a calendar year exceed \$1 million, the rate on such excess is 35%.

Payroll taxes, including Social Security and Medicare taxes, are required to be withheld when the substantial risk of forfeiture lapses. The substantial risk of forfeiture will lapse on the earliest of the expiration of the vesting period, or the date that the deferred stock becomes vested as described under “When you leave the Company and other changes in employment status” beginning on page 19.

The amount of the payroll tax is based on the fair market value of the deferred stock at the time it becomes subject to payroll taxes.

A Section 83(b) election is not available for an award of deferred stock.

Section 409A of the Code. If your award is subject to Section 409A of the and either the Program is determined not to be compliant with Section 409A by the Internal Revenue Service or your award is not administered in compliance with Section 409A, then all compensation deferred under the program (and any award made to you under any other Company plan, program or arrangement that is required to be aggregated with your award under this program under Section 409A) will be taxable to you as ordinary income in the year of the violation or, if later, the year in which the payment is no longer subject to a substantial risk of forfeiture. In addition, you will be subject to an additional tax plus interest. The additional tax is equal to 20% of the compensation that is required to be included in your income as a result of the violation. Income tax is required to be withheld on the amount included in your income pursuant to Section 409A. The additional 20% tax is not subject to withholding.

The program has been designed to conform to the requirements of Section 409A and the final regulations as they apply to participants who are U.S. taxpayers. However, there is no guarantee that your award (and any award made to you under any other Company plan, program or arrangement that is required to be aggregated with your award under Section 409A) will not be subject to additional tax under Section 409A. As stated above, you should seek advice based on your particular circumstances from independent legal and tax advisers.

Taxation of employer. Generally, the Company will be entitled to a deduction, for federal income tax purposes, in the amount of the ordinary income you recognize at the time you recognize such income.

Dividend equivalents. Dividend equivalents paid through payroll on shares of deferred stock during the vesting period will be taxable to you as compensation; income and payroll taxes are required to be withheld on such amounts. Generally, the Company will be entitled to a deduction, for federal income tax purposes, on such dividend-equivalent payments.

Subsequent sales of restricted or deferred shares

Generally, after your restricted or deferred stock vests, your tax basis in the shares will equal the amount of ordinary income recognized on such shares. If you sell the shares you will recognize a gain or loss, which generally will be treated as a capital gain or loss for federal income tax purposes.

Capital gains and losses are classified as either long-term or short-term based on the holding period, which is the length of time the shares are owned and held by you. Currently, the holding period for long-term capital gains treatment is more than 12 months. For restricted stock, the holding period will begin when the award vests, unless you have made a Section 83(b) election, in which event the holding period will begin on the award date. For deferred stock, the holding period will begin when the stock is [constructively] distributed[, as defined in the Code].

Through December 31, 2010, the adjusted net capital gain is subject to a statutory maximum tax rate of 15%, except for taxpayers in the 10% or 15% marginal tax brackets whose adjusted net capital gain is subject to a statutory maximum tax rate of 5% (0% in 2008-2010 only).

Stock options

CAP Options are taxed according to the rules governing non-qualified stock options under U.S. tax law. This means you have two taxable events:

1. When you exercise your stock option and
2. When you sell the shares acquired upon exercise.

When you exercise your stock option. The difference between the option cost (number of shares purchased multiplied by the grant price per share) and the fair market value of the stock on the exercise date (the “gain”) is considered ordinary compensation income. This ordinary compensation income will be included on your pay statement after you exercise your option as well as on your Form W-2 Wage and Tax Statement for the year in which the option was exercised.

This gain will be subject to applicable federal, Social Security, Medicare, state, local, and foreign income tax withholding requirements and employment taxes. The gain generally is deductible by the Company for federal income tax purposes.

Generally, if you pay cash to exercise your option, your cost basis in the shares of Citigroup common stock that you acquire under the option will be equal to the fair market value of the shares on the date of exercise. The holding period will begin on the date of exercise.

If you pay the option cost with shares of previously owned Citigroup common stock, such exercise (a stock swap) will generally result in the same amount being taxable to you as ordinary compensation income as described above. Generally, you will not recognize any additional gain or loss if you use previously owned shares for an exercise.

The portion of new shares received upon exercise, which are equal in number to the previously owned shares used, will have the same tax basis as the previously owned shares used and will have the same holding period for determining capital gain or loss.

The entire fair market value of the remaining incremental shares you receive will be taxable to you as ordinary compensation income, even though such shares may be subject to further restrictions on sale or transferability. The cost basis for these incremental shares generally will be equal to the amount taxable as ordinary compensation income, and the holding period will begin on the date of exercise.

If shares are withheld from the shares otherwise issuable to you upon exercise to satisfy tax-withholding obligations, such shares will be withheld based on the minimum statutory withholding tax rate, which is currently 25%. When total supplemental payments in a calendar year exceed \$1 million, the rate on such excess is 35%.

If the minimum statutory rate used for federal tax withholding is less than your actual marginal tax rate, you may need to make an estimated tax payment directly to the IRS.

If you use the cash purchase or stock swap exercise method *and* shares are withheld from the exercise to pay taxes, then the two-year sale restriction will be lifted on a number of incremental shares, which — if you choose to sell these shares to pay your taxes — should provide enough cash to cover up to an additional 10% of the gain.

You may sell the incremental shares through your broker. The sale of these incremental shares will be a separate taxable event.

When you sell your shares. Generally, when you subsequently sell the shares acquired upon exercising a stock option, the difference between the sale proceeds and the cost basis of your shares is taxable as a capital gain or loss.

Under current U.S. tax law, if you hold the shares acquired upon exercising a stock option for more than 12 months from the date of acquisition before selling them, any gain or loss will be considered a long-term capital gain or loss.

Through December 31, 2010, the adjusted net capital gain will be subject to a statutory maximum tax rate of 15%, except for taxpayers in the 10% or 15% marginal tax brackets whose adjusted net capital gain is subject to a statutory maximum tax rate of 5% (0% in 2008-2010 only).

Information about the Plan

General information

The purposes of the Citigroup 1999 Stock Incentive Plan are to attract and retain employees by providing compensation opportunities that are competitive with other companies; to provide incentives to those employees who contribute significantly to the long-term performance and growth of the Company; and to align employees' long-term financial interests with those of Citigroup's stockholders.

The Plan was adopted by Citigroup's Board of Directors, approved by its stockholders, and became effective April 30, 1999. Shareholders approved the amended and restated Plan April 19, 2005. The Plan will remain in effect until April 30, 2009, unless terminated sooner by the Board of Directors.

Up to 485,883,776 shares may be issued under the Plan. This number has been and may be further adjusted to reflect stock splits and other events affecting Citigroup common stock. These shares may be authorized and unissued shares, treasury shares, or shares purchased in open market transactions.

Eligibility

The Committee selects the participants and the extent of their participation. Consequently, the number of participants and the size of awards will vary from year to year. Directors who are employees of Citigroup are eligible to receive awards under the Plan.

Officers and other employees of Citigroup and its subsidiaries and entities in which Citigroup has a controlling or significant equity interest, as determined by the Committee, are eligible to participate in the Plan.

Administration

The Plan is administered by the Committee, whose members may be changed at any time by the Board of Directors. All members of the Committee are outside directors of Citigroup. The Committee, in its discretion, has the authority to select participants and determine the terms and conditions of each award under the Plan.

The Committee determines the program guidelines for FA CAP and, in its discretion, may amend the program guidelines from time to time. The Committee may establish different program guidelines for different groups of participants.

Program guidelines for participants working outside the United States may be adjusted as necessary to conform to local tax, accounting, legal, and regulatory requirements.

Under the Plan, the Committee may delegate to one or more executive officers or directors the authority to carry out some or all of its responsibilities. The Committee may not delegate its authority and powers in any way that would be inconsistent with the requirements of the Code or the Securities Exchange Act of 1934 (the "Exchange Act").

The Plan is not an "employee benefit plan" under Section 3(3) of the Employee Retirement Income Security Act of 1974 ("ERISA") and, accordingly, it is not subject to the provisions of ERISA. The Plan is not regarded as a qualified plan under Section 401(a) of the Code covering pension, profit sharing, and stock bonus plans.

Use of personal information

In connection with the implementation and administration of FA CAP, and the fulfillment of the Company's legal obligations, it will be necessary for the Company to transfer, use, and hold certain personal information concerning each potential participant ("personal data").

Information to be used for the administration of the equity programs and your potential participation therein, as well as compliance with the Company's legal obligations, may include your name, nationality, date of birth, tax identification number, GEID, home address, work address, compensation information, details of your equity award, name of your business unit and employing legal vehicle, and information about how to contact you.

You may obtain more details about the use of your personal information related to your potential participation in the equity programs and the fulfillment of the Company's legal obligations through Citigroup Equity Compensation.

Information about Citigroup

Citigroup files annual, quarterly, and current reports; proxy statements; and other information with the Securities and Exchange Commission ("SEC"). These SEC filings are available to the public on the SEC's Web site at www.sec.gov. Citigroup's 2006 Annual Report, as well as certain of Citigroup's SEC filings, are available to the public on Citi's Web site at www.citi.com.

Incorporation of certain documents by reference

The SEC allows Citigroup to "incorporate by reference" the information it files with the SEC, which means that it can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that Citigroup files later with the SEC automatically will update information in this prospectus.

In all cases, you should rely on the later information over different information included in this prospectus or any prospectus supplement.

Citigroup incorporates by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act prior to the filing of a post-effective amendment to the Registration Statement relating to the common stock issued under the Plan, which indicates that all Citigroup common stock offered has been sold or which deregisters all Citigroup common stock that has not been sold:

- Annual Report on Form 10-K filed by Citigroup for the fiscal year ended December 31, 2006;
- All other reports filed by Citigroup pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the annual report referred to above; and
- The description of Citigroup's common stock contained in Citigroup's Registration Statement filed under the Exchange Act on Form 8-B, dated May 10, 1988, as updated by the description of Citigroup common stock contained in the prospectus dated March 2, 2006, that forms a part of Citigroup's Registration Statement on Form S-3 (File no. 333-132177) filed under the Securities Act of 1933, as amended, including any amendment or report filed for the purpose of further updating such description.

Citigroup will provide its Annual Report and its Proxy Statement for the most recent year to all program participants and will provide without charge to each person to whom this prospectus is delivered, at his or her request, a copy of any or all of the foregoing documents incorporated herein by reference (other than exhibits to such documents).

Written or telephone requests should be directed to Citi Document Services, 111 Wall St., New York, NY 10005, 1-877-936-2737. These documents are also available on Citi's Web site at www.citi.com.

For more information

For information about FA CAP that is not included in this prospectus, contact Citi Equity Compensation:

Citi Equity Compensation Unit
25 Broad Street, 8th floor
New York, NY 10004

212-291-4424
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Exhibit 6

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November 12, 2012

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ROBERT A ATKINS
DAVID J BAL
JOHN BALGHMAN
LYNN B BAYARD
DANIEL J BELLER
ROBERT L BERSON
MITCHELL L BERG
MARK S BERGMAN
BRUCE BIRNBOIM
H CHRISTOPHER BOEHNIG
ANGELO BONVINO
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TONG YU
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T ROBERT ZOCZOWSKI, JR

*NOT ADMITTED TO THE NEW YORK BAR

By Email

Matthew M. Guiney, Esq.
Wolf, Haldenstein, Adler, Freeman & Herz LLP
270 Madison Avenue
New York, NY 10016

Brecher, et al. v. Citigroup Inc., et al., 09 Civ. 7359 (SHS) (S.D.N.Y.)

Dear Mr. Guiney:

We write on behalf of defendants in the above-referenced matter in response to your letter of November 5, 2012 (the "November 5 Letter") to Jane O'Brien, regarding plaintiffs' request for the production of documents and renewed depositions in connection with plaintiffs' purported claim under Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder ("Section 10(b)") arising out of the July 2008 FA CAP award.

It is defendants' position that plaintiffs were expressly prohibited from asserting any Section 10(b) claims for acquisitions of Citigroup shares after April 2008 by the Court's order granting in part plaintiffs' motion for leave to file the Second Amended Complaint ("SAC"). See *Brecher v. Citigroup Inc.*, No. 09 Civ. 7359 (SHS), 2011 WL 5525353, at *7 (S.D.N.Y. Nov. 14, 2011) (the "November 14, 2011 Order"). As discussed at page 24 of defendants' memorandum of law in support of our motion to

dismiss, defendants moved to dismiss plaintiffs' Section 10(b) claim to the extent the SAC purported to assert such a claim beyond the time period February 2007 and April 2008 on the ground that it was barred by the Court's November 14, 2011 Order. (Defs.' Mem. at 24.) In your opposition brief, plaintiffs conceded that their Section 10(b) claim is limited to those claims sustained in *In re Citigroup Inc. Securities Litigation*, 07 Civ. 9901 (SHS) (S.D.N.Y.) (the "*Securities Litigation*")—i.e., for acquisitions of Citigroup stock during the time period February 2007 through April 2008—and offered to amend the class definition accordingly. (See Pls.' Mem. at 17–18 & n.19.)

As I understand your November 5 Letter, plaintiffs have changed their position and now claim that the July 2008 FA CAP share award is within the scope of the claims sustained in the *Securities Litigation* because the price of the July 2008 FA CAP shares was calculated in part using January, February and March 2008 month-end prices. (Nov. 5 Ltr. at 2.) However, this theory does not hold water.

In order to assert a claim under Section 10(b), a plaintiff must, among other things, identify a purchase (or sale) of the relevant security. See *Dura Pharm., Inc. v. Broudo*, 544 U.S. 336, 341–42 (2005). Under the Exchange Act, the grant of shares pursuant to a voluntary compensation plan is a "sale" by the employer (and thus a "purchase" by the employee). See, e.g., *Mills v. Polar Molecular Corp.*, 12 F.3d 1170, 1175 (2d Cir. 1993); *Yoder v. Orthomolecular Nutrition Inst., Inc.*, 751 F.2d 555, 558–61 (2d Cir. 1985); *Falkowski v. Imation Corp.*, 309 F.3d 1123, 1129–30 (9th Cir. 2002). Indeed, this is consistent with plaintiffs' own PLSRA certifications, in which your clients identified their purchases of Citigroup stock to have occurred on the dates they were awarded shares pursuant to FA CAP. The manner in which the price of the shares was calculated is irrelevant to this inquiry.

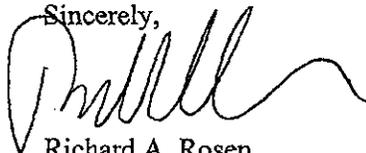
Because recipients of the July 2008 FA CAP award did not acquire the shares until July 1, 2008, plaintiffs were not permitted assert a Section 10(b) claim in connection with that award by the November 14, 2011 Order. For the same reason, July 2008 FA CAP award recipients may not participate in the *Securities Litigation* settlement on the basis of that award, under the terms of the settlement agreement. See Order Preliminarily Approving Proposed Settlement and Providing for Notice, *In re Citigroup Inc. Sec. Litig.*, No. 07 Civ. 9901 (S.D.N.Y. Aug. 29, 2012), Dkt. No. 156 (the "Preliminary Approval Order") (defining the "Settlement Class" to include "all persons who purchased or otherwise acquired common stock issued by Citigroup during the period between February 26, 2007 and April 18, 2008, inclusive," and releasing all claims "arising out of or relating to investments in . . . Citigroup common stock through April 18, 2008, inclusive").

Accordingly, plaintiffs are not entitled to any document discovery or witness examination in connection with a Section 10(b) claim arising out of the July 2008 FA CAP award because plaintiffs were not granted leave to assert any such claim in the Second Amended Complaint. Even if they were, defendants have moved to dismiss any Section 10(b) claims arising out of purchases of Citigroup stock after April 2008, and discovery is therefore stayed under the PSLRA. Finally, to the extent plaintiffs purport to

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

seek discovery in connection with claims released by the *Securities Litigation* settlement, they are expressly barred from doing so under paragraph 21 of the Court's Preliminary Approval Order.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Rosen', with a long, sweeping horizontal flourish extending to the right.

Richard A. Rosen

Exhibit 7

1 JAMES F. CLAPP (145814)
 jclapp@sdlaw.com
 2 MARITA MURPHY LAUNGER (199242)
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 7 WOLF HALDENSTEIN ADLER FREEMAN & HERZ, LLP
 270 Madison Ave.
 8 New York, New York 10016
 Tel: 212-545-4600
 9 Fax: 212-545-4653

10 Attorneys for Plaintiffs

11

12

UNITED STATES DISTRICT COURT

13

SOUTHERN DISTRICT OF CALIFORNIA

14

15 DANIEL BRECHER and SCOTT SHORT,
 individually and on behalf of all others
 16 similarly situated,

CASE NO. 09-CV-0606-L-AJB

**CERTIFICATION OF PLAINTIFF
DANIEL BRECHER**

17

Plaintiffs,

18

vs.

19

CITIGROUP, INC.; CITIGROUP GLOBAL
MARKETS, INC.; ALAIN J.P. BELDA, C.

20

MICHAEL ARMSTRONG, KENNETH T.
DERR, JOHN M. DEUTCH, RICHARD D.

21

PARSONS, ANN DIBBLE JORDAN;
CITIGROUP, INC. PERSONNEL AND

22

COMPENSATION COMMITTEE; and JOHN
DOES 1-30;

23

Defendants.

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PLAINTIFF'S CERTIFICATION

Daniel Brecher ("Plaintiff") declares under penalty of perjury, as to the claims asserted under the federal securities laws, that:

1. Plaintiff has reviewed the complaint and authorized the commencement of an action on Plaintiff's behalf.

2. Plaintiff did not purchase the security that is the subject of this action at the direction of Plaintiff's counsel or in order to participate in this private action.

3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

4. Plaintiff's transactions in Citigroup securities during the Class Period specified in the Complaint are as follows:

<u>Date</u>	<u># of Shares Purchased</u>	<u># of Shares Sold</u>	<u>Price</u>
07-01-07	144.27	0	\$39.5338
01-02-08	389.77	0	\$30.5950
07-01-08	2,039.98	0	\$17.1525

5. During the three years prior to the date of this Certificate, Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws.

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or approved by the Court.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on April 2, 2009, at San Diego, California.



DANIEL BRECHER

83054.1

Exhibit 8

1 JAMES F. CLAPP (145814)
 jclapp@sdlaw.com
 2 MARITA MURPHY LAUINGER (199242)
 mlauinger@sdlaw.com
 3 DOSTART CLAPP GORDON & COVENEY, LLP
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 Tel: 858-623-4200
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 smith@whafh.com
 7 WOLF HALDENSTEIN ADLER FREEMAN & HERZ, LLP
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 8 New York, New York 10016
 Tel: 212-545-4600
 9 Fax: 212-545-4653

10 Attorneys for Plaintiffs

11

12

UNITED STATES DISTRICT COURT

13

SOUTHERN DISTRICT OF CALIFORNIA

14

15 DANIEL BRECHER and SCOTT SHORT,
 individually and on behalf of all others
 16 similarly situated,

CASE NO. 09-CV-0606-L-AJB

**CERTIFICATION OF PLAINTIFF
SCOTT SHORT**

17

Plaintiffs,

18 vs.

19 CITIGROUP, INC.; CITIGROUP GLOBAL
 MARKETS, INC.; ALAIN J.P. BELDA, C.
 20 MICHAEL ARMSTRONG, KENNETH T.
 DERR, JOHN M. DEUTCH, RICHARD D.
 21 PARSONS, ANN DIBBLE JORDAN;
 CITIGROUP, INC. PERSONNEL AND
 22 COMPENSATION COMMITTEE; and JOHN
 DOES 1-30;

23

Defendants.

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PLAINTIFF'S CERTIFICATION

Scott Short ("Plaintiff") declares under penalty of perjury, as to the claims asserted under the federal securities laws, that:

1. Plaintiff has reviewed the complaint and authorized the commencement of an action on Plaintiff's behalf.

2. Plaintiff did not purchase the security that is the subject of this action at the direction of Plaintiff's counsel or in order to participate in this private action.

3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

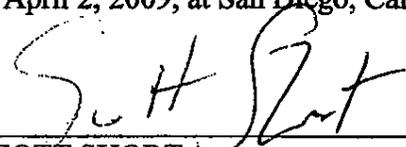
4. Plaintiff's transactions in Citigroup securities during the Class Period specified in the Complaint are as follows:

<u>Date</u>	<u># of Shares Purchased</u>	<u># of Shares Sold</u>	<u>Price</u>
07-01-07	123.59	0	\$39.5338
01-02-08	624.60	0	\$30.5950
07-01-08	1,975.39	0	\$17.1525

5. During the three years prior to the date of this Certificate, Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws.

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or approved by the Court.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on April 2, 2009, at San Diego, California.



 SCOTT SHORT

83055.1

Exhibit 9

1 JAMES F. CLAPP (145814)
jclapp@sdlaw.com
2 MARITA MURPHY LAUNGER (199242)
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Tel: 212-545-4600
9 Fax: 212-545-4653

10 Attorneys for Plaintiffs

11

12

UNITED STATES DISTRICT COURT

13

SOUTHERN DISTRICT OF CALIFORNIA

14

15 DANIEL BRECHER and SCOTT SHORT,
individually and on behalf of all others
16 similarly situated,

17

Plaintiffs,

18

vs.

19

CITIGROUP, INC.; CITIGROUP GLOBAL
MARKETS, INC.; ALAIN J.P. BELDA, C.

20

MICHAEL ARMSTRONG, KENNETH T.
DERR, JOHN M. DEUTCH, RICHARD D.

21

PARSONS, ANN DIBBLE JORDAN;

22

CITIGROUP, INC. PERSONNEL AND
COMPENSATION COMMITTEE; and JOHN
DOES 1-30;

23

Defendants.

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CASE NO. 09-CV-0606-L-AJB

**CERTIFICATION OF PLAINTIFF CHAD
TAYLOR**

1 **PLAINTIFF'S CERTIFICATION**

2 Chad Taylor ("Plaintiff") declares under penalty of perjury, as to the claims
3 asserted under the federal securities laws, that:

4 1. Plaintiff has reviewed the complaint and authorized Plaintiff's counsel to
5 offer Plaintiff as a proposed Lead Plaintiff.

6 2. Plaintiff did not purchase the security that is the subject of this action at the
7 direction of Plaintiff's counsel or in order to participate in this private action.

8 3. Plaintiff is willing to serve as a representative party on behalf of the class,
9 including providing testimony at deposition and trial, if necessary.

10 4. Plaintiff's transactions in Citigroup securities during the Class Period
11 specified in the Complaint are as follows:

12 <u>Date</u>	<u># of Shares Purchased</u>	<u># of Shares Sold</u>	<u>Price</u>
13 07-01-08	681.39	0	\$17.1525
14 01-02-09	1167.68	0	\$10.8550

15 5. During the three years prior to the date of this Certificate, Plaintiff has not
16 sought to serve or served as a representative party for a class in an action filed under the federal
17 securities laws.

18 6. Plaintiff will not accept any payment for serving as a representative party
19 on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or
20 approved by the Court.

21 I declare under penalty of perjury under the laws of the United States of America
22 that the foregoing is true and correct. Executed on May 29, 2009 at San Diego, California.

23
24 
25 CHAD TAYLOR

Exhibit 10

1 JAMES F. CLAPP (145814)
jclapp@sdlaw.com
2 MARITA MURPHY LAUNGER (199242)
mlaunger@sdlaw.com
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8 New York, New York 10016
Tel: 212-545-4600
9 Fax: 212-545-4653

10 Attorneys for Plaintiffs

11

12

UNITED STATES DISTRICT COURT

13

SOUTHERN DISTRICT OF CALIFORNIA

14

15 DANIEL BRECHER and SCOTT SHORT,
16 individually and on behalf of all others
similarly situated,

17 Plaintiffs,

18 vs.

19 CITIGROUP, INC.; CITIGROUP GLOBAL
20 MARKETS, INC.; ALAIN J.P. BELDA, C.
MICHAEL ARMSTRONG, KENNETH T.
21 DERR, JOHN M. DEUTCH, RICHARD D.
PARSONS, ANN DIBBLE JORDAN;
22 CITIGROUP, INC. PERSONNEL AND
COMPENSATION COMMITTEE; and JOHN
DOES 1-30;

23 Defendants.

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CASE NO. 09-CV-0606-L-AJB

CERTIFICATION OF PLAINTIFF
JENNIFER MURPHY

CERTIFICATION OF PLAINTIFF JENNIFER MURPHY

EXHIBIT 5

Page 9

1 **PLAINTIFF'S CERTIFICATION**

2 Jennifer Murphy ("Plaintiff") declares under penalty of perjury, as to the claims
3 asserted under the federal securities laws, that:

4 1. Plaintiff has reviewed the complaint and authorized the commencement of
5 an action on Plaintiff's behalf.

6 2. Plaintiff did not purchase the security that is the subject of this action at the
7 direction of Plaintiff's counsel or in order to participate in this private action.

8 3. Plaintiff is willing to serve as a representative party on behalf of the class,
9 including providing testimony at deposition and trial, if necessary.

10 4. Plaintiff's transactions in Citigroup securities during the Class Period
11 specified in the Complaint are as follows:

12 <u>Date</u>	<u># of Shares Purchased</u>	<u># of Shares Sold</u>	<u>Price</u>
13 07-01-07	318	0	\$39.5338
14 07-01-08	428	0	\$17.1525

15 5. During the three years prior to the date of this Certificate, Plaintiff has not
16 sought to serve or served as a representative party for a class in an action filed under the federal
17 securities laws.

18 6. Plaintiff will not accept any payment for serving as a representative party
19 on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or
20 approved by the Court.

21 I declare under penalty of perjury under the laws of the United States of America
22 that the foregoing is true and correct. Executed on May 28, 2009 at 11110 L.A.
23 California.

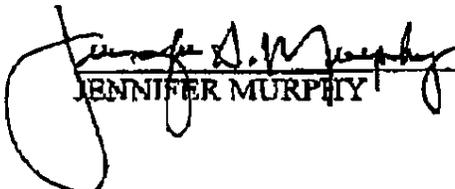
24
25 
26 JENNIFER MURPHY
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Exhibit 11

PLAINTIFF CERTIFICATION

I, Paul Koch ("Plaintiff"), hereby declare that:

1. I have reviewed the complaint against Citigroup, Inc. and the other named defendants (the "Complaint") and have authorized the filing of a lead plaintiff motion on my behalf by Zamansky & Associates LLP and Lovell Stewart Halebian LLP.
2. I did not purchase the securities that are the subject of the action at the direction of counsel or in order to participate in this private action.
3. I am willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary.
4. During the Class Period specified in the Complaint, I made the following transactions in Citigroup securities:

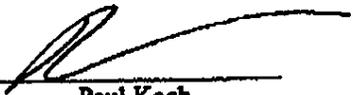
<u>Transaction</u>	<u>Trade Date</u>	<u>No. of Shares</u>	<u>Price</u>	<u>Aggregate (Cost)/Proceeds</u>
Buy	07/01/07	1,609.32	\$39.5338	(\$63,622.54)
Buy	01/02/08	2,706.50	\$30.595	(\$82,805.37)
Buy	07/01/08	5,168.08	\$17.1525	(\$88,645.49)

5. During the three-year period preceding the date of my signing this certification, I have not sought to serve, nor have I served, as a representative on behalf of a class in a private action arising under the federal securities laws.

6. I will not accept any payment for serving as a representative party on behalf of a class except to receive my pro rata share of any recovery, or as ordered or approved by the Court including the award to a representative party of reasonable costs and expenses including lost wages relating to the representation of the class.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this ~~27~~ day of May 2009



Paul Koch

Exhibit 12

PLAINTIFF CERTIFICATION

I, Mark E. Oelke

("Plaintiff"), hereby declare that:

1. I have reviewed the complaint against Citigroup, Inc. and the other named defendants (the "Complaint") and have authorized the filing of a lead plaintiff motion on my behalf by Zamansky & Associates LLP and Lovell Stewart Halebian LLP.
2. I did not purchase the securities that are the subject of the action at the direction of counsel or in order to participate in this private action.
3. I am willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary.

4. During the Class Period specified in the Complaint, I made the following transactions in Citigroup securities: *in good faith estimation:*

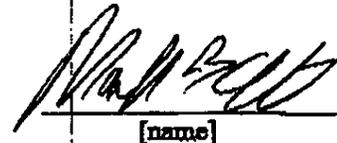
<u>Transaction</u>	<u>Trade Date</u>	<u>No. of Shares</u>	<u>Price</u>	<u>Aggregate (Cost)/Proceeds</u>
Buy	7/1/07	25,2948	\$39.5338	\$1000.00
Buy	1/2/08	32.685	\$30.595	\$1000.00
Buy	7/1/08	58.3	\$17.1525	\$1000.00

5. During the three-year period preceding the date of my signing this certification, I have not sought to serve, nor have I served, as a representative on behalf of a class in a private action arising under the federal securities laws.

6. I will not accept any payment for serving as a representative party on behalf of a class except to receive my pro rata share of any recovery, or as ordered or approved by the Court, including the award to a representative party of reasonable costs and expenses including lost wages relating to the representation of the class.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 29th day of May 2009



[name]

Exhibit 13



U.S. Securities and Exchange Commission

SEC Charges Citigroup and Two Executives for Misleading Investors About Exposure to Subprime Mortgage Assets

Citigroup Agrees to Pay \$75 Million Penalty

**FOR IMMEDIATE RELEASE
2010-136**

Washington, D.C., July 29, 2010 — The Securities and Exchange Commission today charged Citigroup Inc. with misleading investors about the company's exposure to subprime mortgage-related assets. The SEC also charged one current and one former executive for their roles in causing Citigroup to make the misleading statements in an SEC filing.

The SEC alleges that in response to intense investor interest on the topic, Citigroup repeatedly made misleading statements in earnings calls and public filings about the extent of its holdings of assets backed by subprime mortgages. Between July and mid-October 2007, Citigroup represented that subprime exposure in its investment banking unit was \$13 billion or less, when in fact it was more than \$50 billion.

Additional Materials

- ▶ [SEC Complaint](#)
 - ▶ [SEC Order Against Crittenden and Tildesley](#)
 - ▶ [Litigation Release No. 21605](#)
-

[High-Res Photo](#)



"Citigroup boasted of superior risk management skills in reducing its subprime exposure to approximately \$13 billion. In fact, billions more in CDO and other subprime exposure sat on its books undisclosed to investors."

Robert Khuzami
Director
SEC Enforcement

Citigroup and the two executives agreed to settle the SEC's charges. Citigroup agreed to pay a \$75 million penalty. Former chief financial officer Gary Crittenden agreed to pay \$100,000, and former head of investor relations Arthur Tildesley, Jr., (currently the head of cross marketing at Citigroup) agreed to pay \$80,000.

"Even as late as fall 2007, as the mortgage market was rapidly deteriorating, Citigroup boasted of superior risk management skills in reducing its subprime exposure to approximately \$13 billion. In fact, billions

more in CDO and other subprime exposure sat on its books undisclosed to investors," said Robert Khuzami, Director of the SEC's Division of Enforcement. "The rules of financial disclosure are simple — if you choose to speak, speak in full and not in half-truths."

Scott W. Friestad, Associate Director of the SEC's Division of Enforcement, added, "Citigroup's improper disclosures came at a critical time when investors were clamoring for details about Wall Street firms' exposure to subprime securities. Instead of providing clear and accurate information to the market, Citigroup dropped the ball and made a bad situation worse."

According to the SEC's complaint, filed in U.S. District Court for the District of Columbia, Citigroup represented in earnings calls and public filings from July 20 to Oct. 15, 2007, that its investment bank's subprime exposure was \$13 billion or less and had declined over the course of 2007. However, the \$13 billion figure reported by Citigroup omitted two categories of subprime-backed assets: "super senior" tranches of collateralized debt obligations (CDOs) and "liquidity puts." Citigroup had more than \$40 billion of additional subprime exposure in these categories, which it didn't disclose until November 2007 after a decline in their value.

The SEC's complaint alleges that as early as April 2007, Citigroup's senior management began to gather information on the investment bank's subprime exposure for purposes of possible public disclosure. From the outset of these efforts, internal documents describing the investment bank's subprime exposure included the super senior CDO tranches and the liquidity puts, while noting that they bore little risk of default. Nevertheless on four occasions in 2007, Citigroup stated that its investment bank's subprime exposure was reduced to \$13 billion from \$24 billion at the end of 2006 — without disclosing the more than \$40 billion in additional subprime exposure relating to the super senior CDO tranches and liquidity puts. These occasions included a July 20 earnings call, a July 27 Fixed Income investors call, an October 1 earnings pre-announcement, and an October 15 earnings call.

According to the SEC's order instituting administrative proceedings against Crittenden and Tildesley, they were repeatedly provided with information about the full extent of Citigroup's subprime exposure. Crittenden received a detailed briefing on valuation issues relating to the super senior tranches of CDOs in early September 2007. Tildesley received information that same month that discussed the possibility that Citigroup's disclosures could be misleading because they did not include the amounts of the super senior tranches and the liquidity puts. The SEC's order finds that both Crittenden and Tildesley helped draft and then approved the disclosures that were included in a Form 8-K filed with the SEC on Oct. 1, 2007. The SEC's order finds that, in doing so, Crittenden and Tildesley caused Citigroup's filing to be misleading to investors.

Without admitting or denying the SEC's allegations, Citigroup Inc. consented to the entry of a final judgment that permanently restrains and enjoins it from violation of Section 17(a)(2) of the Securities Act of 1933, Section 13(a) of the Securities Exchange Act of 1934, and Exchange Act Rules 12b-20 and 13a-11. Crittenden and Tildesley, without admitting or denying the SEC's findings, consented to the issuance of an administrative order requiring them to cease-and-desist from causing any violations of Section 13(a) of the Exchange Act and Exchange Act Rules 12b-20 and

13a-11.

The SEC's investigation was conducted by Andrew Feller and Thomas Silverstein in the Division of Enforcement.

#

For more information about this enforcement action, contact:

Scott W. Friestad
Associate Director, SEC Division of Enforcement
(202) 551-4962

Laura B. Josephs
Assistant Director, SEC Division of Enforcement
(202) 551-4968

<http://www.sec.gov/news/press/2010/2010-136.htm>

[Home](#) | [Previous Page](#)

Modified: 07/29/2010

AFFIDAVIT OF SERVICE BY EXPRESS MAIL

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

EARL J. MENARD, III, being duly sworn, deposes and says:

1. I am not a party to this action, am over 18 years of age and am employed by Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019.

2. On January 18, 2013, I served true copies of RESPONSES OF THE CITIGROUP DEFENDANTS TO OBJECTIONS OF THE PROPOSED SETTLEMENT and DECLARATION OF RICHARD A. ROSEN IN SUPPORT OF THE RESPONSES OF THE CITIGROUP DEFENDANTS TO OBJECTIONS OF THE PROPOSED SETTLEMENT WITH EXHIBITS on the following:

Paul L. Agnew
P.O Box 98
Abbovolle, SC 29620

Charles & Gladys Andersen III
24872 Costeau Street
Laguna Hills, CA 92653

David E. Breskin
c/o RBC Capital Markets LLC CUST
Individual Retirement Account
FBO David E. Breskin
6809 Bergman Rd
Bainbridge Island, WA 98110

David E. Breskin
c/o Scott Missall, Trustee
Short Cressman Burgess PLLC
FBO David E. Breskin

999 Third Ave.
Seattle, WA 98104

James F. Clapp
Dostart Clapp Cordon & Coveney, LLP
4370 La Jolla Village Drive, Suite 970
San Diego, CA 92122-1253

Anne Cochran
20030 Marchmont Road
Shaker Heights, OH 44122

Theodore H. Frank
11307 Bulova Lane
Fairfax, VA 22030

Seb Houle
21 Charles Lane
Hebron, CT 06248

William B. James and Joy A. James
3675 Classic Dr. S
Memphis, TN 38125

Gina Martin
2380 Eastex Freeway
Beaumont, TX 77703

Steve A. Miller
Steve A. Miller, P.C Profit Sharing Plan
1625 Larimer Street, No. 2905
Denver, CO 80202

Robert Shattuck
3812 Spring Valley Circle
Birmingham, AL 35223

Victor E. Stewart
Fred T. Isquith, Jr.
Lovell Stewart Halebian Jacobson LLP
61 Broadway, Suite 501
New York, NY 10006

Richard Paul Warren
Mildred Terry Warren
9725 Knollcrest Blvd.

Johns Creek, GA 30022

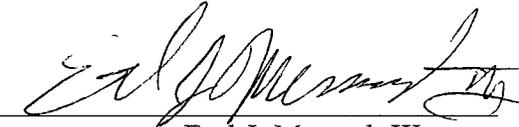
William J. Warren
2591 Dallas Pkwy Ste 300
Frisco, TX 75034-8563

Kenneth Patrick Wright and Hyejin Chung Wright
10888 Shady Trail
Dallas, TX 75220

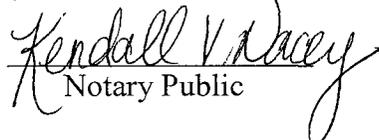
Edward J. Wynne
Wynne Law Firm
100 Drakes Landing Road, Ste. 275
Greenbrae, CA 94904

Jacob H. Zamansky
Edward H. Glenn
Kevin D. Galbraith
Zamansky & Associates LLC
50 Broadway, 32nd Floor
New York, NY 10004

3. I made such service by personally enclosing true copies of the aforementioned documents in properly addressed prepaid wrappers and depositing them into an official depository under the exclusive custody and care of the United States Postal Service, within the State of New York.


Earl J. Menard, III

Sworn to before me this
18th day of January, 2013


Notary Public

KENDALL V. DACEY
Notary Public, State of New York
No. 01DA6227052
Qualified in New York County
Commission Expires August 23, 2014