



POLICY ON RELATED PARTY TRANSACTIONS

OWNER:

CITIGROUP CORPORATE LAW DEPARTMENT
OFFICE OF THE GENERAL COUNSEL

CONTACT:

GENERAL COUNSEL, CORPORATE GOVERNANCE

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1 OVERVIEW

1.1 OBJECTIVE

Citigroup Inc. (the “Company” or “Citi”) has adopted this Policy on Related Party Transactions (the “Policy”), as required by Item 404(b) of Regulation S-K of the Securities Act of 1933 (the “Act”).

The Policy applies to any transaction where the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, the Company is a participant, and a Related Person has or will have a direct or indirect material interest, unless the transaction is exempt under Section 3 of this Policy. The Policy may be amended at any time and is subject to further guidance from the SEC and/or actions taken by the Company’s Board of Directors (the “Board”) or the Board’s Nomination, Governance and Public Affairs (“NGPA”) Committee.

1.2 DEFINITIONS

Related Party Transaction: Any financial transaction, arrangement or relationship in which (a) the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, (b) the Company or one its subsidiaries is a participant, and (c) any Related Person has or will have a direct or indirect material interest.

Related Person: A Director (including a nominee), Senior Manager, 5% Shareholder, Immediate Family Member or Primary Business Affiliation.

Senior Manager: Any individual who has been appointed an officer of the Company for purposes of Section 16 of the Act and/or who is a member of the Company’s Operating Committee.

Director: Any member of the Board who is not also a Senior Manager.

Immediate Family Member: Any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of a Director or Senior Manager, or of a 5% Shareholder if such Shareholder is a natural person, and any individual (other than a tenant or an employee) sharing the household of such person.

5% Shareholder: Any person who has filed a Schedule 13D or Schedule 13G with the SEC reporting ownership of 5% or more of the Company’s common stock or securities convertible into the Company’s common stock.

Primary Business Affiliation: Any entity (other than Citi) of which a Director or Senior Manager or a 5% Shareholder if such Shareholder is a natural person, or

an Immediate Family Member of such an individual, is an officer, partner or employee or in which the Director, Senior Manager or Immediate Family Member owns directly or indirectly at least a 5% equity interest.

1.3 OWNER

The Policy was adopted by the NGPA Committee. Any changes to the Policy must be approved by the NGPA Committee. The Corporate Governance unit of Citigroup's Corporate Law Department is responsible for updating this Policy as needed.

Questions about the Policy and its application to Related Persons or their Immediate Family Members, should be directed to the General Counsel, Corporate Governance, at (212) 793-7396.

1.4 EFFECTIVE DATE / TRANSITION PERIOD

This Policy is effective immediately.

1.5 EXCEPTIONS

Any exceptions to the Policy must be consistent with the Act, including any regulations promulgated thereunder, and must be approved in advance by Citigroup's General Counsel.

2 PROCEDURES

2.1 NOTIFICATION OF RELATED PARTY TRANSACTIONS

Each Director and Senior Manager shall promptly notify the General Counsel of any material interest that such person or an Immediate Family Member of such person had, has or may have in a Related Party Transaction. The notice shall include a description of the transaction and the aggregate dollar amount.

If the Related Party Transaction involves a Director, a Senior Manager, or a 5% Shareholder or an Immediate Family Member and is valued at \$50 million or more and is not exempt under Section 3 hereof, then the General Counsel shall promptly notify the Chair of the NGPA Committee of the Board. If the Related Party Transaction involves a Senior Manager (or an Immediate Family Member of a Senior Manager) and is valued at less than \$50 million and is not pre-approved under Section 3 hereof, then the General Counsel shall notify the Transaction Review Committee (the "TRC"). Members of the TRC shall include the following officers of the Company, or their designees: President; General Counsel; Chief Financial Officer; Chief Compliance Officer; Chief Risk Officer; and Head of Human Resources. The TRC will report to the NGPA Committee on any Related Party Transactions it reviews below the \$50 million threshold.

2.2 REVIEW OF RELATED PARTY TRANSACTIONS

The NGPA Committee shall be responsible for the review, approval or ratification of the following Related Party Transactions:

- Any Related Party Transaction in which a Director, an Immediate Family Member of a Director, a 5% Shareholder, or if such 5% Shareholder is a natural person, an Immediate Family member of such 5% Shareholder has a material interest.
- Any Related Party Transaction with a value of \$50 million or more in which a Senior Manager or an Immediate Family Member of a Senior Manager has a material interest.

If advance notice of a Related Party Transaction has been given to the Chair of the NGPA Committee and it is not possible to convene a meeting of the NGPA Committee, then the Chair of the NGPA Committee shall consider whether the Related Party Transaction is appropriate and, if so, shall approve the Related Party Transaction. The NGPA Committee will be asked to ratify the Related Party Transaction at the NGPA Committee's next regularly scheduled meeting.

No Director shall participate in any discussion or approval of a Related Party Transaction for which he or she or any member of his or her Immediate Family Member is a Related Person, except that the Director shall provide all material information concerning the Related Party Transaction to the NGPA Committee.

The TRC shall be responsible for the review, approval or ratification of a Related Party Transaction involving a Senior Manager or an Immediate Family Member of a Senior Manager, provided that the Related Party Transaction is valued at less than \$50 million.

The TRC shall provide a summary to the NGPA Committee of each Related Party Transaction it approves.

2.3 GENERAL CRITERIA FOR APPROVING RELATED PARTY TRANSACTIONS

In determining whether to approve, ratify, disapprove or reject a Related Party Transaction, the NGPA Committee or the TRC, as appropriate, shall take into account, among other factors it deems appropriate, whether the Related Party Transaction is entered into on terms no less favorable to the Company than terms generally available to an unaffiliated third-party under the same or similar circumstances; the results of an appraisal, if any; whether there was a bidding process and the results thereof; review of the valuation methodology used and alternative approaches to valuation of the transaction; and the extent of the Related Person's interest in the transaction. The NGPA Committee will review the following information when assessing a Related Party Transaction:

- The terms of such transaction;
- The Related Person's interest in the transaction;
- The purpose and timing of the transaction;
- Whether the Company is a party to the transaction, and if not, the nature of the Company's participation in the transaction;
- If the transaction involves the sale of an asset, a description of the asset, including date acquired and costs basis;
- Information concerning potential counterparties in the transaction;
- The approximate dollar value of the transaction and the approximate dollar value of the Related Person's interest in the transaction;
- Description of any provisions or limitations imposed as a result of entering into the proposed transaction;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction; and
- Any other relevant information regarding the transaction.

Senior Managers and Immediate Family Members who share a Senior Manager's household may not invest in partnerships or other investment opportunities sponsored, or otherwise made available, by the Company unless their participation is approved in accordance with this Policy. Such approval shall not be required if the investment opportunity: (i) is offered to qualified employees and investment by Senior Managers is approved by the Personnel and Compensation Committee; (ii) is made available to a Senior Manager actively involved in a business unit, the principal activity of which is to make such

investments on behalf of the Company, and is offered pursuant to a co-investment plan approved by the Personnel and Compensation Committee; or (iii) is offered to Senior Managers on the same terms as those offered to qualified persons who are not employees of the Company.

Except with the approval of the NGPA Committee, no Director or Senior Manager may invest in a third-party entity if the investment opportunity is made available to him or her as a result of such individual's status as, respectively, a Director or a Senior Manager of the Company.

No Director or Immediate Family Member who shares the Director's household or is financially dependent on the Director shall receive an IPO allocation from a broker/dealer, including broker/dealers not affiliated with the Company.

2.4 RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Related Party Transaction with a Related Person that has not been approved under this Policy prior to its consummation, the matter shall be reviewed either by the TRC or the NGPA Committee, as appropriate. The TRC or the NGPA Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, including the items listed in Section 2.3 above, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The TRC or the NGPA Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the appropriate committee under this Policy, and shall take any such action it deems appropriate.

3 PRE-APPROVED RELATED PARTY TRANSACTIONS

The NGPA Committee has determined that each of the types of Related Party Transactions listed below shall be deemed to be pre-approved or ratified, even if the aggregate amount involved exceeds \$120,000 and shall not require review or approval by the NGPA Committee or the TRC.

- a. *Employment of Senior Managers.* Any employment by the Company of a Senior Manager of the Company if:
 - i. the related compensation is required to be reported in the Company's proxy statement under Item 402 of SEC's compensation disclosure requirements (generally applicable to "named executive officers") and such information is reported; or
 - ii. the Senior Manager is not an Immediate Family Member of another Senior Manager or Director of the Company and the related compensation would be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements if the Senior Manager was a "named executive officer," and the Personnel and Compensation Committee of the Board approved (or recommended that the Board approve) such compensation.
- b. *Director compensation.* Any compensation paid to a Director, if the related compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements.
- c. *Certain transactions with other companies.* Any transaction with another company at which a Related Person's (other than a Director's or 5% Shareholder who is a natural person's) only relationship is as (i) an employee (i.e., the Related Person is not the equivalent of a Senior Manager), (ii) a beneficial owner of less than 10% of that company's outstanding equity, or (iii) in the case of partnerships, a limited partner, if the aggregate amount involved does not exceed the greater of \$1,000,000 or 2 percent of that company's total annual revenues.
- d. *Ordinary course transactions.*
 - Any financial services, including brokerage services, banking services, loans, insurance services and other financial services, provided by the Company to any Related Person, provided, with respect to (i) a Director or his or her Immediate Family Member or (ii) a 5% Shareholder or his or her Immediate Family Member, if applicable, that the services are on

substantially the same terms as those prevailing at the time for comparable services provided to non-affiliates.

- Personal loans made or maintained by the Company to a Director, a Senior Manager or an Immediate Family Member who shares any such person's household, only if the loan: (a) is made in the ordinary course of business of the Company or one of its subsidiaries, is of a type that is generally made available to the public, and is on market terms, or terms that are no more favorable than those offered to the general public; (b) complies with applicable law, including the Sarbanes-Oxley Act of 2002 and Regulation O of the Board of Governors of the Federal Reserve; (c) when made does not involve more than the normal risk of collectibility or present other unfavorable features; and (d) is not classified by the Company as Substandard (II) or worse, as defined by the Office of the Comptroller of the Currency (OCC) in its "Rating Credit Risk" Comptroller's Handbook.
- All business relationships, lending relationships, deposit and other banking relationships between the Company and (i) a Related Person's Primary Business Affiliation or (ii) a 5% Shareholder that is not a natural person made in the ordinary course of business and on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons.
- Loans made or maintained by the Company to (i) a Related Person's Primary Business Affiliation or (ii) a or 5% Shareholder that is not a natural person, only if the loan: (a) is made in the ordinary course of business of the Company or one of its subsidiaries, is of a type that is generally made available to other customers, and is on market terms, or terms that are no more favorable than those offered to other customers; (b) complies with applicable law, including the Sarbanes-Oxley Act of 2002, Regulation O of the Board of Governors of the Federal Reserve, and the Federal Deposit Insurance Corporation (FDIC) Guidelines; (c) when made does not involve more than the normal risk of collectibility or present other unfavorable features; and (d) is not classified by the Company as Substandard (II) or worse, as defined by the Office of the Comptroller of the Currency (OCC) in its "Rating Credit Risk" Comptroller's Handbook.
- e. *Certain Company charitable contributions.* Any charitable contribution, grant or endowment by the Company or the Citi Foundation to a charitable organization, foundation or university where a Related Person other than a 5% shareholder that is not a natural person is an employee, if the aggregate amount involved does not exceed the lesser of \$1,000,000 or 2 percent of the charitable organization's total annual receipts.
- f. *Transactions where all shareholders receive proportional benefits.* Any transaction where the Related Person's interest arises solely from the

ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis (e.g., dividends).

- g. *Regulated transactions.* Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
- h. *Certain banking-related services.* Any transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.