



## BONUS CERTIFICATES

### CitiFirst Bonus Certificates

#### Series Term Sheet – Series 01-2023

Publication date: 21/07/2023

#### Important information

This Series Term Sheet must be read in conjunction with the Product Disclosure Statement for CitiFirst Bonus Certificates with a preparation date of 20 July 2023 issued by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832; AFSL 240992) (**Citi**). This Series Term Sheet is also issued by Citi.

Terms defined in the PDS have the same meaning in this Series Term Sheet unless the contrary intention appears.

The net asset position of Citi, as stated in its most recent audited financial statements available when the original version of this Series Term Sheet was first published, was \$358.5 million as at 31 December 2022.

#### Series 01-2023 Details

|                    |                                         |
|--------------------|-----------------------------------------|
| Initial Issue Date | 26/07/2023                              |
| Term               | 15 months*                              |
| Termination Date   | 30/10/2024                              |
| Call Option Share  | Commonwealth Bank of Australia (CBA.AX) |

| Warrant<br>ASX<br>Code | Underlying<br>Asset | Underlying<br>ASX Code | Initial<br>Price | Bonus<br>Percentage | Bonus<br>Level | Barrier<br>Percentage | Barrier<br>Level | Issue Size |
|------------------------|---------------------|------------------------|------------------|---------------------|----------------|-----------------------|------------------|------------|
| XJOB0B                 | S&P/ASX 200         | XJO                    | 72.50            | 109.66%             | 79.50          | 86.21%                | 62.50            | 10 million |

\*Approximate only and rounded down to the nearest whole number of months; the term ends on the Termination Date.

**Series 01-2023 Details**

|                           |                                         |
|---------------------------|-----------------------------------------|
| <b>Initial Issue Date</b> | 26/07/2023                              |
| <b>Term</b>               | 18 months*                              |
| <b>Termination Date</b>   | 5/02/2025                               |
| <b>Call Option Share</b>  | Commonwealth Bank of Australia (CBA.AX) |

| <b>Warrant<br/>ASX<br/>Code</b> | <b>Underlying<br/>Asset</b> | <b>Underlying<br/>ASX Code</b> | <b>Initial<br/>Price</b> | <b>Bonus<br/>Percentage</b> | <b>Bonus<br/>Level</b> | <b>Barrier<br/>Percentage</b> | <b>Barrier<br/>Level</b> | <b>Issue<br/>Size</b> |
|---------------------------------|-----------------------------|--------------------------------|--------------------------|-----------------------------|------------------------|-------------------------------|--------------------------|-----------------------|
| XJOBOD                          | S&P/ASX 200                 | XJO                            | 72.50                    | 111.72%                     | 81.00                  | 86.21%                        | 62.50                    | 10 million            |

**Series 01-2023 Details**

|                           |                                         |
|---------------------------|-----------------------------------------|
| <b>Initial Issue Date</b> | 26/07/2023                              |
| <b>Term</b>               | 23 months*                              |
| <b>Termination Date</b>   | 15/07/2025                              |
| <b>Call Option Share</b>  | Commonwealth Bank of Australia (CBA.AX) |

| <b>Warrant<br/>ASX<br/>Code</b> | <b>Underlying<br/>Asset</b> | <b>Underlying<br/>ASX Code</b> | <b>Initial<br/>Price</b> | <b>Bonus<br/>Percentage</b> | <b>Bonus<br/>Level</b> | <b>Barrier<br/>Percentage</b> | <b>Barrier<br/>Level</b> | <b>Issue<br/>Size</b> |
|---------------------------------|-----------------------------|--------------------------------|--------------------------|-----------------------------|------------------------|-------------------------------|--------------------------|-----------------------|
| XJOBOD                          | S&P/ASX 200                 | XJO                            | 72.50                    | 114.48%                     | 83.00                  | 86.21%                        | 62.50                    | 10million             |

\*Approximate only and rounded down to the nearest whole number of months; the term ends on the Termination Date.

# CitiFirst



BONUS CERTIFICATES | INSTALMENTS | MINIS | TRADING WARRANTS | TURBOS

## CitiFirst Bonus Certificates

Product Disclosure Statement  
Citi Bonus Certificates – 20 July 2023

Issued by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and AFSL 240992)

**INVESTMENT PRODUCT: NOT A DEPOSIT | NOT INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**



## Important information

**Issuer:** Bonus Certificates are issued by Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832; AFSL 240992) (**Citi**), an ASX participant. Citi's contact details are set out in the Directory at the end of this PDS.

**Series Term Sheet:** You must read this PDS in conjunction with the relevant Series Term Sheet. The Series Term Sheet contains important details about the Bonus Certificates. The relevant version of the Series Term Sheet is the one accompanying this PDS or, where permitted, any replacement Series Term Sheet published by Citi.

**Listing:** Bonus Certificates issued under this PDS may be traded on ASX.

**ASIC and ASX:** This PDS is not required to be and will not be lodged with ASIC. ASIC takes no responsibility for the content of this PDS or for the Bonus Certificates. Citi will notify ASIC that this PDS is in use in accordance with section 1015D of the Corporations Act. This PDS complies with Schedule 10 of the ASX Operating Rules as varied or waived by ASX. None of ASX, ASIC or their respective officers takes any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates.

**Complex financial product:** A Bonus Certificate is a complex financial product carrying investment risk. It is an agreement between you and Citi governed by the terms set out in this PDS and the relevant Series Term Sheet.

**Advice:** Any advice in this PDS has been prepared without taking account of your objectives, financial situation or needs. Because of that, you should, before acting on any advice in this PDS, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. You should consider the contents of this PDS carefully before making any decision about whether to acquire Bonus Certificates. You should consider obtaining personal advice from an Australian financial services licensee or an appropriately authorised and qualified representative of a licensee before making such a decision. You should also consider obtaining legal and taxation advice before doing so.

**Associations:** Bonus Certificates: (i) are not covered by the Financial Claims Scheme; (ii) are not deposits or other obligations or liabilities of any insured depository institution (including Citibank, NA); and (iii) are subject to investment risk, including the risk of loss of the principal amount invested and the risk of delays in payment or non-payment. A Bonus Certificate does not represent a deposit or other obligation or liability of Citigroup Pty Limited or Citibank, NA (Sydney Branch). Neither Citigroup Pty Limited nor Citibank, NA (Sydney Branch) is an issuer or seller of Bonus Certificates and neither guarantees or underwrites the Bonus Certificates. Citi is not subject to prudential supervision by the Australian Prudential Regulation Authority or any other prudential regulator.

**ASX Booklets:** ASX publishes a number of booklets in relation to warrants, which can be downloaded free of charge from the ASX website. Investors are encouraged to read these booklets and the information that is available on the ASX website in relation to warrants, to understand their characteristics, and the operation of the warrants market in general.

**Jurisdiction:** The invitation to buy Bonus Certificates under this PDS is made only to persons in Australia and is not made to any person anywhere else. If you have received this PDS outside Australia you must not buy Bonus Certificates under it.

**Updates:** Information that is not materially adverse information is subject to change from time to time and may be updated by Citi by making it available at [www.citifirst.com.au](http://www.citifirst.com.au). You can find out the updated information by visiting that website or you may ask for a paper copy of any updated information, without charge, by contacting Citi on 1300 30 70 70. Information that is materially adverse information is subject to change from time to time and may be updated by Citi by preparing and issuing a new PDS or by preparing and issuing a supplementary product disclosure statement. None of these statements restricts Citi's ability to update or replace a Series Term Sheet in the circumstances contemplated in this PDS.

**Cooling off:** There is no cooling-off regime that applies in respect of an investment in Bonus Certificates.

**Ethical considerations:** Neither labour standards nor environmental, social or ethical considerations are

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taken into account by Citi in connection with Bonus Certificates.

Security: A Bonus Certificate is a security for the purposes of Chapter 7 of the Corporations Act.

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## About CitiFirst

CitiFirst Bonus Certificates are issued by Citi. CitiFirst is the brand name for Citi's suite of investment and trading products. CitiFirst Opportunity investments in Australia cover a broad selection of ASX listed warrants including:

- Bonus Certificates
- Instalments
- Instalment MINIs
- Self Funding Instalments
- MINIs
- GSL MINIs
- Turbos
- Trading Warrants

Citi is a wholly owned subsidiary of Citigroup Inc. and a member of the Citigroup Inc. group of companies. Citigroup Inc. is a leading global financial services company, and has more than 200 million customer accounts and does business in more than 100 countries, providing customers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage and wealth management.

The Group has been in the Asia Pacific region for more than 100 years and today provides more services in more markets for more clients than any other financial institution. The Group counts as valued clients 10 million customers across 18 countries and territories throughout Asia Pacific.

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

When you buy CitiFirst Bonus Certificates you have the comfort of knowing you are dealing with one of the largest financial services companies in the world. In addition, because CitiFirst Bonus Certificates will (subject to ASX approval) be listed on ASX, Citi, as issuer of the CitiFirst Bonus Certificates, is required to comply with ASX Operating Rules and CitiFirst Bonus Certificates will trade within a regulated and transparent market.

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## Section 1: Introduction

### What is a Bonus Certificate?

A Bonus Certificate is an investment product issued by Citi. You pay a purchase price for a Bonus Certificate and, if you still hold it at the end of the Term, Citi will pay you the Redemption Amount. Each Bonus Certificate is linked to an underlying share, exchange-traded fund (**ETF**) or index. The Redemption Amount payable will vary with the performance of the underlying share, ETF or index and the terms of your Bonus Certificate.

### Buying and selling Bonus Certificates

An application has been made to the Australian Securities Exchange (**ASX**) to list the Bonus Certificates on ASX. If listing approval is granted, the Bonus Certificates will be able to be bought and sold on-market. The purchase price will be the on-market trading price at the time of purchase. Before you buy a Bonus Certificate, you should read this PDS in conjunction with the relevant Series Term Sheet. The relevant Series Term Sheet will accompany this PDS. Both the PDS and the relevant Series Term Sheet (including, where permitted, any replacement Series Term Sheet) will be available at [www.citifirst.com.au](http://www.citifirst.com.au) and via ASX.

### Key Concepts

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Underlying Assets</b> - the shares, ETF or index linked to your Bonus Certificate              | The Underlying Asset will be identifiable by the 'Warrant ASX Code' specified in the relevant Series Term Sheet (available at <a href="http://www.citifirst.com.au">www.citifirst.com.au</a> and via ASX).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Initial Price</b> - the declared price of the Bonus Certificates at the very start of the Term | <p>Citi will determine the Initial Price for a Bonus Certificate based on the expected volatility of the Underlying Asset and the Bonus and Barrier Percentages for the Bonus Certificate and, where the Underlying Asset is a share or an ETF, the trading price for the Underlying Asset and the expected dividends or distributions.* The Initial Price will be specified in the relevant Series Term Sheet (available at <a href="http://www.citifirst.com.au">www.citifirst.com.au</a> and via ASX).</p> <p>The purchase price will be the on-market trading price at the time.</p> <p>* Please note the Holder of a Bonus Certificate will not be entitled to receive any dividends, distributions or other amounts paid by the Issuer of the underlying share or ETF.</p> |

|                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Bonus Percentage</b> - a percentage greater than 100% determined by Citi for each Bonus Certificate</p>                                | <p>The Bonus Percentage for a Bonus Certificate affects the Redemption Amount Citi will pay you at the end of the Term if you still hold the Bonus Certificate at that time. The Bonus Percentage is determined by Citi and depends on the Underlying Asset to which the Bonus Certificate is linked. The Bonus Percentages for the Bonus Certificates are set out in the Series Term Sheet accompanying this PDS and are used to work out the 'Bonus Level' for the Bonus Certificate.</p> <p>The definitive Bonus Level will be included in the relevant Series Term Sheet (as updated, where applicable, and in all cases available at <a href="http://www.citifirst.com.au">www.citifirst.com.au</a> and via ASX).</p>           |
| <p><b>Barrier Percentage</b> - a percentage less than 100% determined by Citi for each Bonus Certificate</p>                                 | <p>The Barrier Percentage for a Bonus Certificate affects the Redemption Amount Citi will pay you at the end of the Term if you still hold the Bonus Certificate at that time. The Barrier Percentage is determined by Citi and depends on the Underlying Asset to which the Bonus Certificate is linked. The Barrier Percentages for the Bonus Certificates are set out in the Series Term Sheet accompanying this PDS and are used to work out the 'Barrier Level' for the Bonus Certificate.</p> <p>The definitive Barrier Level will be included in the relevant Series Term Sheet (as updated, where applicable, and in all cases available at <a href="http://www.citifirst.com.au">www.citifirst.com.au</a> and via ASX).</p> |
| <p><b>Term</b> - the period between the Initial Issue Date for a Bonus Certificate and the date Citi will redeem it</p>                      | <p>Each Bonus Certificate has its own Term, as set out in the Series Term Sheet. In special circumstances Citi can shorten the Term (see clause 3 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>Redemption Amount</b> - the amount that is payable by Citi to the Holder at the end of the Term</p>                                    | <p>The Redemption Amount for a Bonus Certificate is based on the Bonus and Barrier Percentages and the performance of the Underlying Asset. More details and some scenario analysis are provided later in this section of the PDS (under the headings 'Redemption Amount' and 'Scenario Analysis' respectively). The full definition of 'Redemption Amount' is set out in clause 13.1 of the Detailed Terms in section 7 of this PDS. In special circumstances Citi can adjust the Redemption Amount (see clauses 3, 4 and 11 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect). Unless you make a specific election (see below), the Redemption Amount will be paid in cash.</p>    |
| <p><b>Redemption Amount as Underlying Assets</b> – you may be able to take your redemption proceeds as Underlying Assets instead of cash</p> | <p>Where the Underlying Asset is a share or an ETF, the Bonus Certificates provide the Holder with the option to receive the Redemption Amount at the end of the Term as shares or ETF interests (as applicable) of the relevant kind, instead of it being paid in cash.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Call Option Share</b> - alternatively, you can elect to have a small component of the Redemption Amount provided at the end of the Term in the form of shares</p> | <p>If the call option has been exercised and remains valid at the end of the Term, the Redemption Amount will be paid to the Holder at the end of the Term (and not before) in a combination of cash and a small parcel of shares. Each Series of Bonus Certificates has its own Call Option Share, as set out in the Series Term Sheet. The Call Option Share will typically differ from the Underlying Asset. You should not exercise the call option if you would like to take your redemption proceeds as Underlying Assets.</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Other defined terms used in this PDS are in clause 13.1 of the Detailed Terms in section 7 of this PDS.

### **More about the Key Concepts**

As described in the 'Key Concepts' table above, a Bonus Certificate has a Bonus Percentage, a Barrier Percentage and a Term. The Bonus Percentage and Barrier Percentage affect the amount Citi will pay the Holder of the Bonus Certificate at the end of the Term. The Bonus Percentage will be more than 100%. The Barrier Percentage will be less than 100%. For example, the Bonus Percentage may be 108% while the Barrier Percentage may be 70%. The applicable percentages for each relevant share, ETF and index, together with the Term, are set out in the Series Term Sheet accompanying this PDS.

### **Bonus and Barrier Levels**

Citi will calculate a Bonus Certificate's 'Bonus Level' by applying the Bonus Percentage to the Bonus Certificate's Initial Price. Citi will also calculate the Bonus Certificate's 'Barrier Level' by applying the Barrier Percentage to the Initial Price. For example, if the Bonus Certificate's Initial Price is \$1, the Bonus Percentage is 108% and the Barrier Percentage is 70%, then the Bonus Level will be \$1.08 and the Barrier Level will be \$0.70.

### **During the Term**

The Bonus Certificates do not pay any income during the Term. This means, for example, that if Bonus Certificates are linked to an underlying share or ETF, the Holder will not be entitled to any dividends, distributions or other amounts paid by the Issuer of those shares or that ETF.

After the Bonus Certificates have been admitted to trading status by ASX, you will be able to buy Bonus Certificates on-market using a broker. The purchase price will be determined by the price quoted on-market for the Bonus Certificate that applies at the time of purchase, which may be higher or lower than the Initial Price.

You may decide to sell your Bonus Certificates before the end of the Term. You will be able to sell the Bonus Certificates on-market using a broker. The sale price will be determined by the price quoted on-market for the Bonus Certificate that applies at the time of sale, which may be higher or lower than the Initial Price.

If there are no Holders of Bonus Certificates in a particular Series linked to a particular Underlying Asset on a date falling before the end of the Term, Citi may, on that date, re-set the Initial Price, the Bonus Level and the Barrier Level for those Bonus Certificates. Citi will do so by publishing a replacement Series Term Sheet for those Bonus Certificates and sending a copy to the ASX.

### **Redemption Amount**

Citi will redeem a Bonus Certificate at the end of the Term for the Redemption Amount (or, in some cases, an Early Redemption Amount, as explained below).

The Redemption Amount will be calculated by Citi and will depend on:

- whether the quoted price of the underlying share or ETF, or the level of the applicable index, has fallen to, or below, the Barrier Level at any time during the Term;
  - if not, whether the quoted price or index level is above the Bonus Level.
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**Barrier Level not reached during the Term**

If the quoted price of the underlying share or ETF, or the level of the applicable index, has not fallen to, or below, the Barrier Level at any time during the Term, the Holder will get the benefit of the Bonus Level when the Bonus Certificate is redeemed. The Redemption Amount for each Bonus Certificate will be the Bonus Level or, if it is higher, the Bonus Certificate's Initial Price increased to reflect the difference between the share price, ETF price or index at the start and end of the Term.

For example, imagine you bought a Bonus Certificate linked to an index where the Initial Price was \$1, the Bonus Percentage was 108% and the Barrier Percentage was 70%. If, at the end of the Term, the applicable index was 110% of the index level at the start of the Term, the Redemption Amount would be \$1.10 (being \$1 multiplied by 110%). If, on the other hand, the applicable index at the end of the Term was 104% of the index level at the start of the Term, the Redemption Amount would be \$1.08 (being the Bonus Level, even though the index level at the end of the Term was lower).

The Redemption Amount will be calculated differently if the Term ends early, for example if there is an 'Adjustment Event'. See section 7 of this PDS to fully understand Citi's rights if an Adjustment Event occurs.

**Barrier Level reached during the Term**

If the quoted price of the underlying share or ETF, or the level of the underlying index, has fallen to, or below, the Barrier Level at any time during the Term, the Holder will not get the benefit of the Bonus Level when the Bonus Certificate is redeemed. The Redemption Amount will be the Bonus Certificate's Initial Price adjusted to reflect the difference between the share price, ETF price or index at the start and end of the Term.

So, again, imagine you bought a Bonus Certificate linked to an index where the Initial Price was \$1, the Bonus Percentage was 108% and the Barrier Percentage was 70%. If, at any time during the Term, the applicable index reached 68% of the index level at the start of the Term, then:

- if the index level at the end of the Term was 110% of the level at the start, the Redemption Amount would be \$1.10;
- if the index level at the end of the Term was 104% of the level at the start, the Redemption Amount would be \$1.04 (not the Bonus Level of \$1.08);
- if the index level at the end of the Term was 85% of the level at the start, the Redemption Amount would be \$0.85 (not the Bonus Level of \$1.08); and
- if the index level at the end of the Term was 66% of the level at the start, the Redemption Amount would be \$0.66 (not the Bonus Level of \$1.08).

Again, the Redemption Amount will be calculated differently if the Term ends early, for example if there is an 'Adjustment Event'. See section 7 of this PDS to fully understand Citi's rights if an Adjustment Event occurs.

**Payment of Redemption Amount**

At the end of the Term the default position is that Citi will pay the Holder the Redemption Amount in cash. Alternatively, you can choose to receive the Redemption Amount at the end of the Term:

- where the Underlying Asset is a share or an ETF, in the form of the relevant shares or ETF interests (as applicable), by completing and returning an Exercise Notice (see 'Redemption Amount as Underlying Assets' below); or
- in a combination of cash and a small parcel of shares, by exercising the share call option (see 'Share call option' below).

**Redemption Amount as Underlying Assets**

Where the Underlying Asset is a share or an ETF, the Bonus Certificates provide the Holder with the option to receive the Redemption Amount at the end of the Term as shares or ETF interests (as applicable) of the relevant kind, instead of it being paid in cash.

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You may, between 5 and 10 Business Days before the Term ends, submit an irrevocable election to Citi, under which some or all of the Redemption Amounts for your Bonus Certificates in a Series are to be provided at the end of the Term in the form of shares or ETF interests (as applicable) of the relevant kind. The price used to determine the number of shares or ETF interests (as applicable) to be provided will be the market close price at the Close of Trading at the end of the Term. A deduction will be made for any costs incurred in connection with you completing and returning an Exercise Notice – 'Exercise Costs'. If you exercise this option, only whole numbers of shares or ETF interests (as applicable) will be provided – and any balance of the Redemption Amounts remaining (after all deductions have been made) will be paid in cash.

This option is not available if you have already exercised the share call option (see below) in respect of the same Bonus Certificates.

### **Share call option**

The Bonus Certificates provide the Holder with an option to receive a small parcel of shares from Citi at the end of the Term. The reason for granting the share call option is so that the Bonus Certificates are securities for the purposes of Chapter 7 of the Corporations Act. This means that your financial adviser will be authorised to provide you with advice about the Bonus Certificates if they are authorised to provide advice about securities. You should confirm this with them.

At any time up to 5 Business Days before the Term ends, you may submit an irrevocable election to Citi, under which a portion of the total of the Redemption Amounts for all of your Bonus Certificates in a Series is to be provided at the end of the Term in the form of 2 shares. The applicable shares, the 'Call Option Shares', are identified in the Series Term Sheet. The Call Option Share for a Bonus Certificate will typically differ from the Underlying Asset for the Bonus Certificate. The price used will be the market close price for the Call Option Shares at the Close of Trading at the end of the Term. If an election to receive the Call Option Shares is made and remains valid at the end of the Term, the balance of the total of the Redemption Amounts for all of your Bonus Certificates in the Series will be paid at the end of the Term in cash. If the market close price for the Call Option Shares is equal to or greater than the total of the Redemption Amounts for all of your Bonus Certificates in the Series, Citi will at the end of the Term transfer the 2 shares to you only. You will not be required to pay any amount to Citi even if the share price is higher than the total of the Redemption Amounts.

An exercise of the share call option is only valid between Citi and the person who exercises the option. It will lapse if and to the extent that the person who exercises the option sells their Bonus Certificates in a Series before the end of the Term. Therefore, when you buy your Bonus Certificate on-market, any seller's earlier exercise of the option will no longer be valid. However, you can make your own election, up to 5 Business Days before the Term ends, if you wish. An exercise of the share call option applies to all Bonus Certificates you hold in a Series, irrespective of whether you acquire the Bonus Certificates as a single parcel or through multiple acquisitions.

This option is not available if you have already completed and returned an Exercise Notice (see above) in respect of the same Bonus Certificates.

### **End of the Term**

The scheduled end of the Term, called the 'Termination Date', will be determined by Citi by reference to the Initial Issue Date and the length of the Term. The Termination Date will be specified in the relevant Series Term Sheet (as updated, where applicable, and in all cases available at [www.citifirst.com.au](http://www.citifirst.com.au) and via ASX).

The Term may end before the Termination Date in the circumstances identified later in this PDS. If the Term ends before the Termination Date, the date on which it ends is an 'Early Termination Date'. An Early Termination Date may apply, for example, where an underlying share or ETF is suspended from trading for 24 hours or more or where an applicable index is discontinued. You should read clause 3 of the Detailed Terms in section 7 of this PDS to fully understand the circumstances in which an Early

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Termination Date may apply and your rights and obligations in those circumstances.

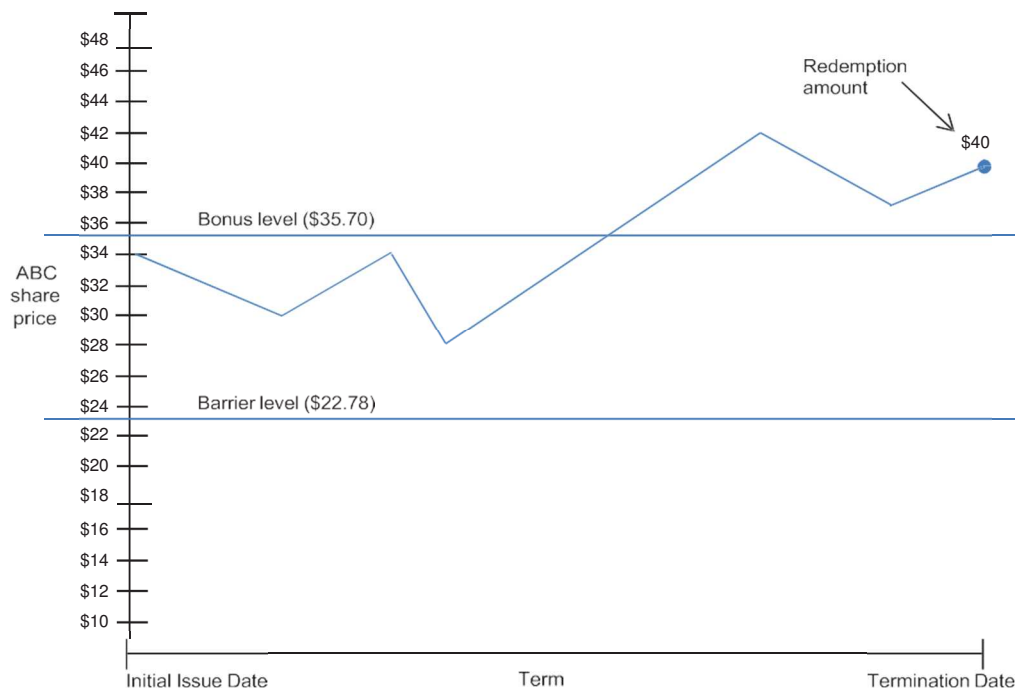
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## Scenario Analysis

The following scenarios and charts illustrate the outcomes that a Holder of Bonus Certificates may experience.

### **Scenario 1: 'Bullish' Scenario – Underlying Asset trades above the Barrier Level during the Term and is above the Bonus Level at the end of the Term**

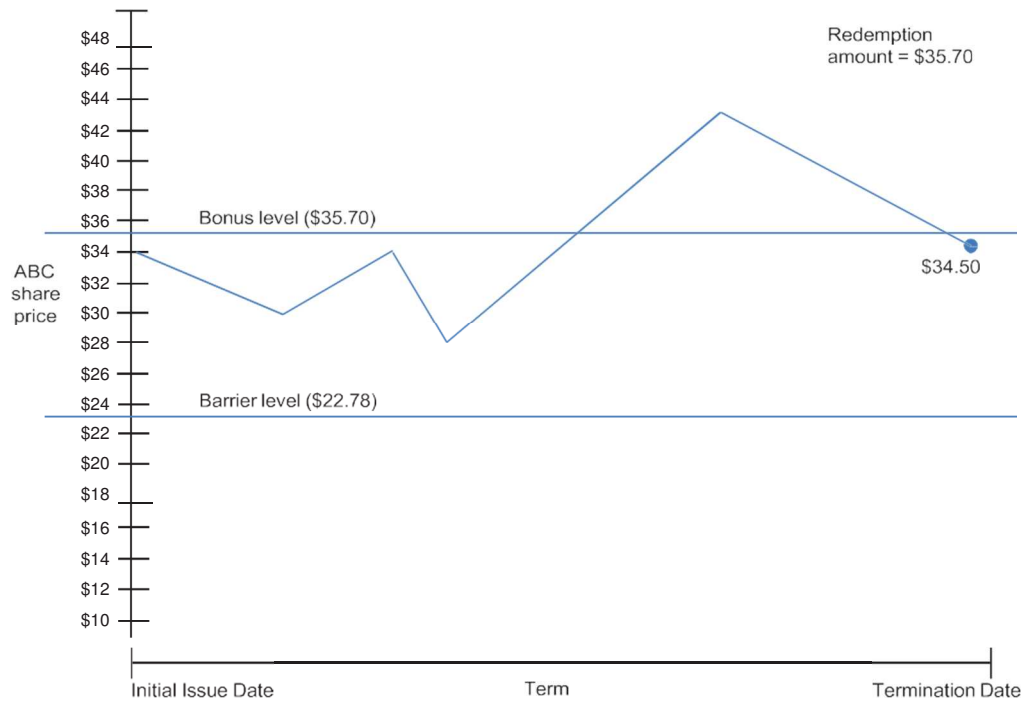
Murray buys Bonus Certificates (on-market through his broker) that are linked to ABC shares. ABC shares were trading at \$34 a share when the Bonus Certificates were first issued and the Bonus Certificates had an Initial Price of \$34 each. The Bonus Percentage is 105% (and so the Bonus Level is \$34 multiplied by 1.05 = \$35.70) and the Barrier Percentage is 67% (and so the Barrier Level is \$34 multiplied by 0.67 = \$22.78). When Murray buys his Bonus Certificates they are trading at \$32 each and that is the price he pays. The ABC shares do not trade at or below the Barrier Level (of \$22.78) at any time during the Term. At the end of the Term the ABC shares are trading at \$40, above the Bonus Level (of \$35.70). Citi will pay Murray the Redemption Amount of \$40 per Bonus Certificate at the end of the Term. The price Murray paid for the Bonus Certificates is irrelevant to calculating the Redemption Amount. If Murray had sold his Bonus Certificates on-market during the Term and Heidi had bought the same Bonus Certificates, Citi would pay a Redemption Amount to Heidi but not to Murray. The purchase price Heidi paid would be the Bonus Certificate's trading price at the time of purchase (and that price would, again, be irrelevant to calculating the Redemption Amount).



Source: Citi

### **Scenario 2: 'Moderate' Scenario – Underlying Asset trades above the Barrier Level during the Term but is below the Bonus Level at the end of the Term**

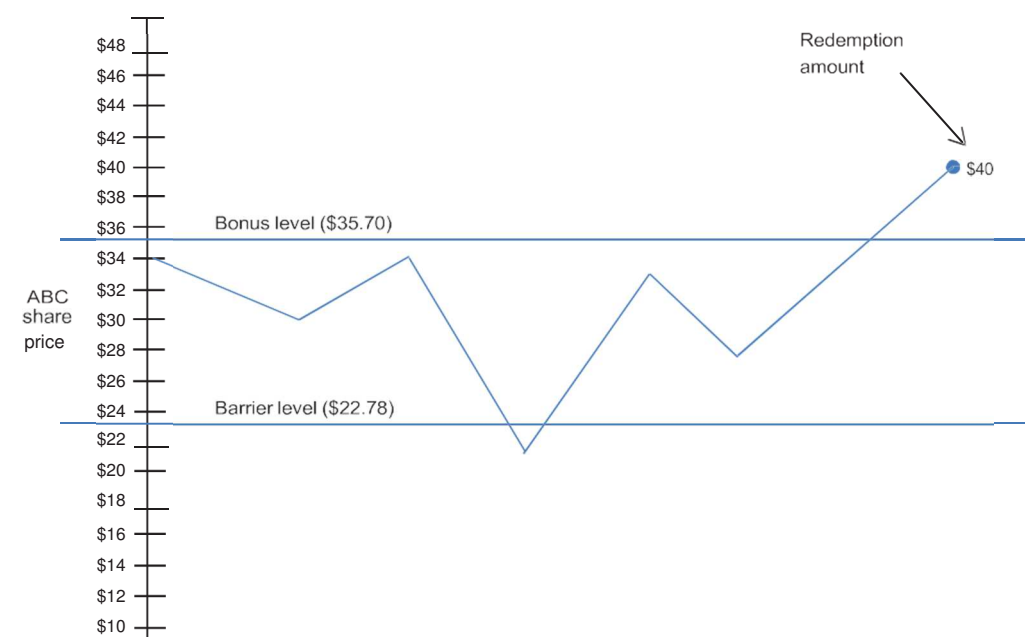
The facts are the same as in Scenario 1 except that while the ABC shares do not trade at or below the Barrier Level (of \$22.78) at any time during the Term, at the end of the Term the ABC shares are trading at \$34.50, below the Bonus Level (of \$35.70). Because the shares did not fall below the Barrier Level at any time during the Term, the Redemption Amount Citi will pay Murray at the end of the Term is the higher Bonus Level (of \$35.70) per Bonus Certificate. The price Murray paid for the Bonus Certificates is irrelevant to calculating the Redemption Amount.

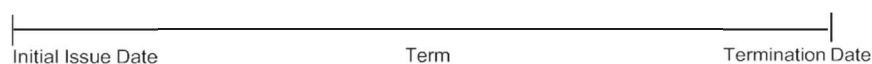


Source: Citi

**Scenario 3: 'Volatile' Scenario – Underlying Asset trades below the Barrier Level during the Term but is above the Bonus Level at the end of the Term**

The facts are the same as in Scenario 1 except that the ABC shares trade below the Barrier Level (of \$22.78) half way through the Term. This means that Murray will not have the benefit of the Bonus Level. Nevertheless, the shares recover and, at the end of the Term, they are trading at \$40. Citi will pay Murray the Redemption Amount of \$40 per Bonus Certificate at the end of the Term. The price he paid for the Bonus Certificates is irrelevant to calculating the Redemption Amount.

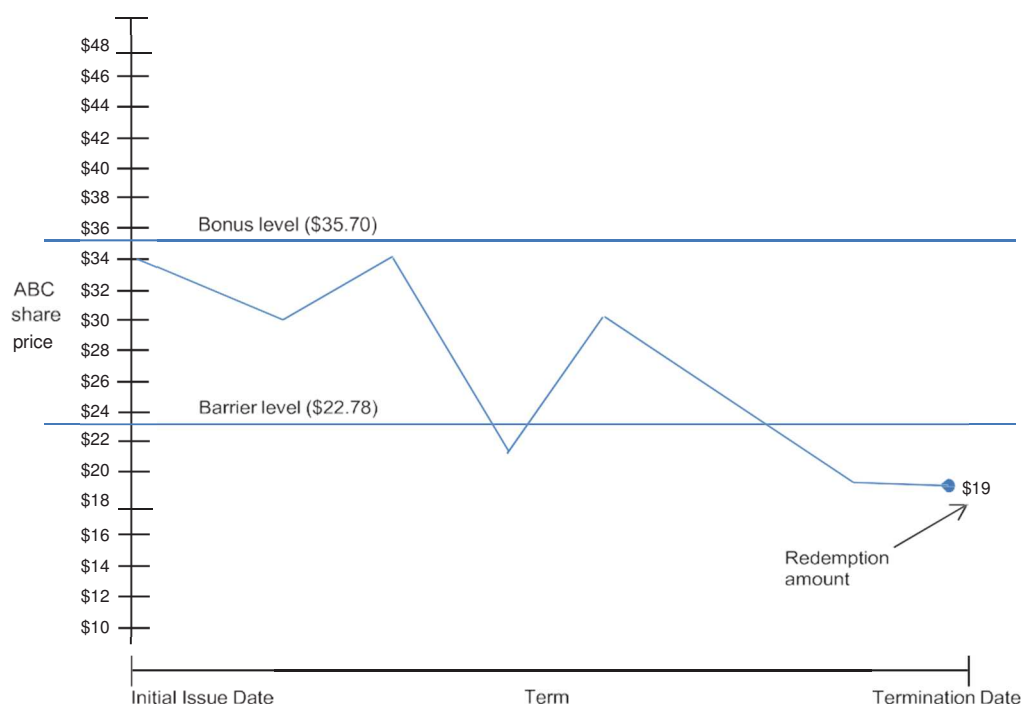




Source: Citi

**Scenario 4: 'Bearish' Scenario – Underlying Asset trades below the Barrier Level during the Term and is below the Bonus Level at the end of the Term**

The facts are the same as in Scenario 3 except that the shares are only trading at \$19 at the end of the Term. As a result, the Redemption Amount is \$19 per Bonus Certificate.



Source: Citi

**Scenario 5: 'Adjustment Event' Scenario – Underlying Asset replaced**

The facts are the same as in Scenario 1 except that, half-way through the Term, ABC company merges with another company and all ABC shares are cancelled.

Citi decides that it can replace the ABC shares with XYZ shares as the Underlying Asset for Murray's Bonus Certificates and it reformulates the terms of the Bonus Certificates so that Murray and Citi are in substantially the same economic position as they would have been in had the merger and cancellation not occurred. (See clause 4 of the Detailed Terms in section 7 of this PDS.)

**Scenario 6: 'Adjustment Event' Scenario – Underlying Asset not replaced**

The facts are the same as in Scenario 5 except that, this time, Citi cannot find a suitable replacement for the ABC shares, and so it declares an Early Termination Event. Citi pays Murray a Redemption Amount for his Bonus Certificates that it determines after taking into account any costs or expenses that it incurs because of the Early Termination. The Redemption Amount Citi pays Murray might be less than or more than the price he paid for the Bonus Certificates and the Redemption Amount might be less than the Bonus Level even if the Barrier Level had not been reached before the shares in ABC company were cancelled. (See clause 3 of the Detailed Terms in section 7 of this PDS.)

**Scenario 7: 'Loss Crystallisation' Scenario – Underlying Asset trades below the Barrier Level during the Term and Bonus Certificates sold on-market**

The facts are the same as in Scenario 1 except that, part-way through the Term, the ABC share price falls and approaches, and then reaches, the Barrier Level. The Bonus Certificates' trading price falls significantly - in fact the fall in the value of the Bonus Certificates well exceeds the fall in the ABC share price. Murray decides to sell his Bonus Certificates on-market and crystallises a significant loss. However, the ABC share price recovers and, at the end of the Term, Citi pays the then-current Holder (not Murray) a Redemption Amount determined by the ABC share price at that time.

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## Section 2: Benefits

The benefits to which you may become entitled as a Holder of Bonus Certificates include:

- You may get the benefit of the Bonus Level. If you still hold your Bonus Certificates at the Termination Date, and if the share price, ETF price or index has not fallen to, or below, the Barrier Level at any time during the Term, you will benefit from the Bonus Level. If both of these two conditions are satisfied, the Bonus Level will provide a floor to your Redemption Amount (but if either condition is not satisfied, it will not provide a floor). However, you will only get the direct benefit of the Bonus Level if the share price, ETF price or index is below the Bonus Level at the Termination Date. In this case you will get the direct benefit of the Bonus Level because the Redemption Amount will be the Bonus Level even though the share price, ETF price or index at the Termination Date is lower.
- You may get the benefit of an increase in the share price, ETF price or index as between the date you acquire your Bonus Certificates and the Termination Date. This will be so if you still hold your Bonus Certificates at the Termination Date and either:
  - the level of the share price, ETF price or index is above the Bonus Level at the Termination Date; or
  - the level of the share price, ETF price or index has fallen to, or below, the Barrier Level at any time during the Term.

In either of these cases you will get the benefit of that increase because the Redemption Amount will be determined by the level of the share price, ETF price or index at the Termination Date.

- If you decide to sell your Bonus Certificates before the Termination Date, the sale price may include a premium when compared with the performance of the Underlying Asset. This will depend on a variety of factors including the performance of the Underlying Asset up to that time and the length of time remaining to the Termination Date.
  - If listing approval is granted by ASX, the Bonus Certificates will be able to be bought and sold on-market.
-

### **Section 3: Risks**

THE PURCHASE OF BONUS CERTIFICATES IS CONSIDERED BY CITI TO BE SUITABLE ONLY FOR INVESTORS WITH EXPERIENCE IN, OR ON THE ADVICE OF PROFESSIONAL ADVISERS WITH EXPERIENCE IN, SPECULATIVE TRANSACTIONS. POTENTIAL INVESTORS SHOULD REACH AN INVESTMENT DECISION ONLY AFTER CAREFULLY CONSIDERING, WITH THEIR ADVISERS, THE SUITABILITY OF THE BONUS CERTIFICATES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, TAKING INTO ACCOUNT THE RISK FACTORS RELATING TO THE BONUS CERTIFICATES SET OUT BELOW.

#### **Specific risks**

Specific risks associated with being a Holder of Bonus Certificates include:

- You may not get the benefit of the Bonus Level. If you still hold your Bonus Certificates at the Termination Date, and if the underlying share price, ETF price or index has fallen to, or below, the Barrier Level at any time during the Term, you will not get the benefit of the Bonus Level.
- The Redemption Amount may be less than (including significantly less than) the price you paid for your Bonus Certificates if the underlying share price, ETF unit price or index has fallen to, or below, the Barrier Level at any time during the Term, and the price or level is, at the Termination Date, less than the price you paid.
- You may lose some or all of your original investment including if you decide to sell your Bonus Certificates before the Termination Date.
- You are exposed to the risk of Citi not paying some or all of the Redemption Amount at the Termination Date or some or all of the Early Redemption Amount if the end of the Term is brought forward. For example, Citi may be unable to pay if it is insolvent at the time. This risk also includes the risk of Citi not delivering the Redemption Amount as Underlying Assets at the end of the Term, if you make the relevant election, or the Call Option Shares at the end of the Term, if you make the relevant election and it remains valid.
- You are exposed to the risk of Citi exercising its rights under the Bonus Certificates in a way which is adverse to you. These rights include the right:
  - to bring forward the end of the 'Term' (see clause 3 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect);
  - to nominate an event as an 'Adjustment Event' or a 'Hedging Event' (see clause 4 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect);
  - to amend the terms without your consent (see clauses 3, 4 and 11 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect);
  - to transfer its rights and obligations in respect of the Bonus Certificates to someone else without your consent (see clause 12.8 of the Detailed Terms in section 7 of this PDS to fully understand Citi's rights in this respect).

#### **Market and other factors**

The price at which a Bonus Certificate may be bought or sold on ASX is expected to be dependent upon such factors as movements in the underlying share price, ETF price or index, the Barrier Level, the Bonus Level, the time remaining to the Termination Date, interest rates and risks applicable to stock markets generally. An investment in Bonus Certificates is speculative. Holders may lose money or sustain a total loss on their investment.

For example, if the underlying share price, ETF price or index for a Bonus Certificate approaches and/or reaches the Barrier Level, the Bonus Certificate's value may fall significantly. The fall in the Bonus Certificate's value may well exceed the fall in the underlying share price, ETF price or index. However, if the Bonus Certificate is held to the end of the Term, the Redemption Amount will be determined by the underlying share price, ETF price or index at that time.

#### **Performance of obligations**

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Between the date of the PDS and the date on which you acquire Bonus Certificates, Citi's financial position may change and it may undertake corporate actions that may detrimentally affect its credit worthiness. Each of Citi's obligations in relation to Bonus Certificates are unsecured and will rank equally with its other unsecured obligations.

Investors must make their own assessment of the ability of Citi to meet its obligations in respect of the Bonus Certificates. Nothing in this PDS is, or may be relied upon as being, a representation as to any future event or a promise as to the future of Citi's ability to perform its obligations.

#### **Possible illiquidity**

Investors should be aware that there is no firm indication as to how the Bonus Certificates will trade on market, including as to whether that market will be liquid or illiquid. However, Citi is an ASX participant and, as and where practicable, Citi will conduct market making activities in relation to the Bonus Certificates by the provision of bids and offers made in a spread around the prevailing market price to help ensure liquidity in the market for the Bonus Certificates.

#### **Legislative risks**

A number of risks may exist and affect a Holder of a Bonus Certificate as a result of Australian legislation, including taxation law. Investors should seek independent professional advice on the nature of these risks.

#### **National Guarantee Fund**

Claims against the National Guarantee Fund may only be made in respect of secondary trading in Bonus Certificates between brokers on ASX. The capacity of Citi to settle all outstanding Bonus Certificates is not guaranteed by ASX, the National Guarantee Fund or ASX Settlement.

#### **Potential conflicts of interest**

Companies in the Citigroup Inc. group of companies and Citi itself may, in their absolute discretion, buy and sell Bonus Certificates, underlying shares or underlying ETFs, either as principal or agent. This trading may affect, positively or negatively, the price at which the Bonus Certificates trade on ASX.

In addition, companies in the Citigroup Inc. group of companies and Citi itself may have material price sensitive information relating underlying shares or underlying ETFs, where the individuals conducting market making activities in relation to the Bonus Certificates are prevented from knowing or taking into account such information by reason of information barriers. Citi may have a potential conflict of interest of which you are not aware and which it is unable to disclose to you.

The rights of Holders against Citi are set out in section 7 of this PDS. Citi is not in a fiduciary relationship with Holders. Any profits earned and losses incurred by Citi in its trading activities in Bonus Certificates will accrue entirely to it independent of Citi's obligations to Holders.

#### **Suspension of trading**

Trading in Bonus Certificates on the stock market conducted by ASX may be halted or suspended by ASX.

This may occur whenever ASX deems such action appropriate in the interests of maintaining a fair and orderly market in Bonus Certificates or otherwise deems such action advisable in the public interest or to protect investors. Matters that may be considered by ASX also include circumstances where Citi becomes unable or unwilling or fails to comply with the ASIC Market Integrity Rules or the Operating Rules or if ASX in its absolute discretion thinks fit.

The Bonus Certificates will continue notwithstanding any delisting, withdrawal of trading status or suspension of the Bonus Certificates from ASX.

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#### **Section 4: Fees and costs**

You do not pay any fees or costs to Citi for your investment in Bonus Certificates. There are no commissions, or other similar payments, that may affect the investment return payable by Citi under the Bonus Certificates. After you have made your investment and the Bonus Certificates have been issued you do not have to pay any further amounts to Citi in respect of your Bonus Certificates.

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## **Section 5: Additional information**

### **Admission to trading status**

An application has been made to ASX to enable Bonus Certificates issued under this PDS to be traded on ASX. Once officially quoted, Bonus Certificates will constitute an investment which can be bought and sold on ASX, just like ordinary shares, although the market for Bonus Certificates may be less liquid than the market for the underlying share or ETF (if applicable).

When the Bonus Certificates are admitted to trading status, that will not be taken in any way as an indication of the merits of the Bonus Certificates. ASX does not warrant the truth or accuracy of the contents of this PDS.

ASX has not authorised or caused the issue of this PDS and is not in any way a party to or concerned in authorising or causing the issue of this PDS or the making of offers or invitations with respect to Bonus Certificates. ASX takes no responsibility for the contents of this PDS. ASX makes no representation as to whether this PDS and the terms of issue of the Bonus Certificates comply with the Corporations Act or the ASX Operating Rules.

To the extent permitted by the Competition and Consumer Act 2010 (Cth) or any other relevant law, ASX will be under no liability for any claim whatsoever, including a claim for any financial or consequential loss or damage suffered by Holders or any other person, whether or not that claim arises wholly or substantially out of reliance on any information contained in this PDS, or any error in, or omission from, this PDS.

### **Transfer of Bonus Certificates**

Subject to any restrictions attached to a Holder's Bonus Certificates, Bonus Certificates may be transferred through a written instrument of transfer (effected in accordance with the ASX Settlement Operating Rules, Corporations Act, and ASX Listing Rules), or by a written transfer in any usual form or in any other form approved by Citi and permitted by the relevant laws and ASX requirements. Citi may refuse to register any transfer of a Bonus Certificate, subject to the Corporations Act, ASX requirements or the rules of any applicable uncertificated trading system.

### **CHESS**

Bonus Certificates referred to in this PDS will be declared eligible to participate in CHESS pursuant to the ASX Settlement Operating Rules. In addition to a CHESS sub-register, an issuer sponsored sub-register will also be maintained, in compliance with the ASX Listing Rules. Under the CHESS system, instead of certificates, each Holder of Bonus Certificates will be provided with a holding statement which sets out the number of Bonus Certificates held by that Holder.

The holding statements will include a Holder's holder identification number (a 'HIN') in the case of a holding on the CHESS sub-register and a shareholder registration number (an 'SRN') in the case of a holding on the issuer sponsored sub-register.

### **Registrar**

Citi will arrange (at its cost) for a separate register of Holders to be established and maintained at the offices of Computershare Investor Services Pty Limited (ACN 078 279 277) (**Computershare**). The Register may be inspected during normal business hours by any Holder or their authorised representative.

### **Information about Citi**

Copies of Citi's financial statements can be obtained free of charge by calling Citi on 1300 30 70 70. At a future time they may also be available online at [www.citifirst.com.au](http://www.citifirst.com.au). Unless and until they become available online, Citi's net asset position will be included in the applicable Series Term Sheet accompanying this PDS. Its net asset position will be as stated in its most recent audited financial statements available when that version of the applicable Series Term Sheet was first published.

In relation to a particular Series of Bonus Certificates, no circumstance has arisen and no information has become available except as disclosed in this PDS, to ASX or on the website referred to in the previous

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paragraph, that would materially affect an investor's decision for the purpose of making an informed assessment of the capacity of Citi to fulfil its obligations under the Bonus Certificates or the risks, rights or obligations associated with the Bonus Certificates since the applicable Series Term Sheet accompanying this PDS was first published.

### **Consents**

Computershare has given and has not withdrawn its consent to be named in this PDS in the form and context in which it is named. Computershare has not authorised or caused the issue of this PDS, does not make, or purport to make, any statement in this PDS, and takes no responsibility for any part of this PDS other than references to its name (except to the extent required by the Corporations Act).

### **Directors' and related entity interests**

Except as set out below, Citi and its related bodies corporate are not associated with, and have no access to, information concerning the relevant shares, ETFs and indexes other than that which is in the public domain. Neither Citi nor its related bodies corporate, nor any director or proposed director of Citi, nor any firm in which a director or proposed director of Citi is a partner, has, at the date of this PDS, any material interest in connection with the formation or promotion of the Bonus Certificates or the relevant shares, ETFs and indexes, except that:

- Citi earns brokerage at normal commercial rates on transactions in relation to Bonus Certificates which it undertakes. This is at no additional cost to you.
- Citigroup Inc. group companies, as part of their employee remuneration arrangements, conduct an incentive system based on the success of their activities. The directors and senior executive officers of Citi, being also employees of a Citigroup Inc. group company, participate in these incentive remuneration arrangements.
- Citi and its related bodies corporate, as part of its investment banking and stock-broking business, may, from time to time, advise or act for the providers of relevant indices, the Issuers of relevant shares or ETFs, or advise or act for other clients in relation to such an index, share or ETF, or publish research reports on an index or the Issuer of a share or ETF. You will not be notified of these activities or the content of those reports.
- Citi or an associate or related body corporate may, from time to time, hold relevant shares or ETFs, or other securities relating to relevant shares or ETFs, or shares, ETFs or other securities included in relevant indices, for trading purposes, including market making, or to hedge the Bonus Certificates. Related bodies corporate of Citi may deal in those shares or ETFs, financial instruments dependent on those shares or ETFs or the relevant indexes, options and other derivative contracts in respect of them.

### **Privacy consents and notifications**

The rest of this section of the PDS sets out the important privacy consents that you give Citi by buying Bonus Certificates. It also sets out important information about Citi's collection, use, disclosure and management of your personal information. In the following text, references to "you" or "your" are references to you and other individuals (such as employees, guarantors, directors or shareholders) connected with you.

### **Collecting, using and disclosing personal information**

Citi will only collect personal information necessary for the products or services you request.

Citi will collect, use and disclose your personal information:

- to provide and manage your products, accounts and services and to manage your relationship and arrangements with Citi, including to manage your investment in Bonus Certificates;
- so Citi can comply with applicable laws both in Australia and overseas (for more details about relevant Australian laws please see Citi's Privacy Policy); and
- for other purposes as listed in Citi's Privacy Policy.

If you do not provide Citi with the information that Citi asks for, or if the information provided is incorrect or

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incomplete, Citi may not be able to provide or manage the relevant products or services. Citi usually collects your personal information directly from you. However, sometimes Citi may need to collect personal information about you from third parties (such as distributors of Bonus Certificates or your licensed broker or financial adviser) for the purposes described above. The circumstances in which Citi may need to do this include assisting Citi to locate or communicate with you.

If, at any time, you receive information from Citi about its products and do not wish to receive further correspondence, please call 1300 30 70 70.

### **Dealing with other organisations**

Citi may disclose to, and obtain from, the following organisations personal information about you, for the purposes described above (and as otherwise permitted by the Privacy Act 1988 (Cth)):

- Citi's related companies, suppliers and organisations that carry out functions for Citi or on its behalf in Australia and overseas;
- third party service providers who assist Citi in its business operations and service provision, including distributors of Bonus Certificates;
- any broker, financial, legal or other adviser acting in connection with the Bonus Certificates;
- regulatory and tax authorities in Australia and overseas;
- organisations wishing to acquire an interest in any part of Citi's business for assessing or implementing any acquisition; and
- other organisations as further set out in Citi's Privacy Policy.

Some of the recipients to whom Citi discloses your personal information may be based overseas. It is not practicable to list every country in which such recipients are located but it is likely that such countries will include the United States of America, India, the Philippines and Singapore.

### **Citi's Privacy Policy**

You can view Citi's Privacy Policy on Citi's website [www.citifirst.com.au](http://www.citifirst.com.au) or obtain a copy by calling 1300 30 70 70. The Privacy Policy includes information as to how you can access and/or seek correction of the personal information Citi holds about you. A charge may apply for providing you with access to your personal information. The Privacy Policy also contains information as to how you can complain about Citi's collection, use or disclosure of your personal information and how Citi will deal with such a complaint.

### **What you should do if you have a complaint**

Citi has formal internal complaint handling procedures which are consistent with the applicable Australian Standard. As a client, you have the right for any complaints in relation to your dealings with Citi to be considered in a timely manner. Our management is committed to a high level of client service, and as such regard all complaints as serious and entitled to be handled fairly, effectively and promptly. Clients may either complain verbally or in written form.

If you have any complaint about the service provided to you, you should take the following steps.

#### Verbal complaints

If you wish to make a verbal complaint, you can call Citi on 1300 30 70 70 and provide details of your complaint to the Compliance Manager.

#### Written complaints

If you wish to make a written complaint, you should write to the Compliance Manager, Citigroup Global Markets Australia Pty Limited, Level 22, 2 Park Street, Sydney NSW 2000, and provide all relevant details of your complaint.

#### External Complaint Services and Regulatory Bodies

Citi is a member of the Australian Financial Complaints Authority (AFCA). AFCA assists with the resolution of disputes between consumers and participating financial services providers.

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If you have made a complaint to Citi and your complaint is not resolved within 30 days, or if the complaint has not been resolved to your satisfaction, you have the right to take your complaint to AFCA. AFCA's details are:

Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001  
Telephone: 1800 93 16 78  
Fax: + 61 3 9613 6399  
Web: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

The complaint must be lodged before the earlier of:

- 2 years from the date you receive written notice advising you of Citi's final position in relation to your complaint and your right to take your complaint to AFCA (if applicable); and
- 6 years from the date you first became aware or should reasonably have become aware of the loss,

although AFCA can extend the time limit if it considers that special circumstances apply to your case.

Further information is available from either Citi or AFCA. For a complaint that exceeds \$1,000,000, alternative dispute resolution mechanisms may be utilised.

ASIC also has an information line that you may use to make a complaint and obtain information about your rights on 1300 30 06 30.

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## **Section 6: Taxation**

This section is general in nature and does not take into account the specific taxation circumstances of each Holder. Citi is not in the business of providing tax advice and cannot be relied upon to do so. Accordingly, Holders should not rely on this section and should obtain taxation advice specific to their own circumstances.

This section is a summary of the Australian taxation consequences arising for Holders who are Australian resident taxpayers, including individuals, companies, trusts, and complying superannuation funds.

This section is based on the law, and administrative practice of the ATO, as at the date of this PDS. Subsequent changes in the law or its administration by the ATO may affect the tax consequences.

### **Gain or Loss on Sale or Redemption**

Whether a Holder holds the Bonus Certificates on capital account or revenue account will affect the tax consequences for a Holder.

Holders who acquire the Bonus Certificates for the purpose of sale or redemption at a profit will hold the Bonus Certificates on revenue account. Such Holders should include gains arising on sale or redemption of the Bonus Certificates in their ordinary assessable income, and will be entitled to a deduction for any losses arising on sale or redemption of the Bonus Certificates.

Holders who acquire the Bonus Certificates for the purposes of sale in the ordinary course of a business carried on by that Holder may hold the Bonus Certificate as trading stock. Such Holders should seek advice in relation to application of the trading stock provisions specific to their circumstances.

Other Holders, such as superannuation funds, will hold the Bonus Certificates on capital account. Unless they exercise the option to receive the Redemption Amount as Underlying Assets, such Holders will derive a CGT gain where the amount received on sale or redemption exceeds the amount paid to acquire the Bonus Certificates, and will incur a CGT loss where the amount received on sale or redemption is less than the amount paid to acquire the Bonus Certificates.

If a Bonus Certificate is held for greater than 12 months before its sale or redemption, then the CGT discount will apply for Holders other than Holders who are companies. In this case any CGT gain should first be reduced by any CGT losses from other sources before applying the CGT discount. Holders who are complying superannuation funds should apply the one-third CGT discount to the amount of any CGT gain computed above. Holders who are trusts other than complying superannuation funds should seek their own advice as to how the CGT discount applies to their circumstances. And any Holders who are natural persons who hold the Bonus Certificates on capital account should apply the 50% CGT discount to the amount of any CGT gain computed above.

CGT losses cannot be applied to reduce ordinary income but may only be used to reduce CGT gains from other sources in the current or later years.

### **Option to receive Call Option Shares**

Holders who elect to receive part of their Redemption Amount as Call Option Shares and the balance of their Redemption Amount as cash will derive a gain or loss on redemption of their Bonus Certificates as outlined above based on the amount of the Redemption Amount received in cash. The Call Option Shares will be deemed to have been acquired for a cost equal to a portion of the purchase price of their Bonus Certificates.

### **Option to receive Underlying Assets**

No capital gain or loss arises on redemption of the Bonus Certificates for Holders who hold their Bonus Certificates on capital account and who elect to receive their Redemption Amount as Underlying Assets. Such Holders will be deemed to have acquired the Underlying Assets for a cost equal to the purchase price of their Bonus Certificates, and not for the market price of the Underlying Assets at the end of the Term.

### **Financial Arrangement Rules**

Bonus Certificates may constitute a financial arrangement. Specific rules apply to financial arrangements

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acquired after 1 July 2010 requiring gains or losses to be on revenue (not capital) account. However, unless Holders elect otherwise, on the basis that Bonus Certificates are not discount securities, these taxation of financial arrangement rules will not apply to the Bonus Certificates for those Holders who are: individuals; or superannuation funds, or managed investment schemes, with assets of less than \$100 million; or non-financial sector investors with assets of less than \$300 million, financial assets less than \$100 million, and turnover less than \$100 million.

Other Holders should obtain tax advice in relation to the application of the financial arrangement rules specific to their own circumstances.

### **Deductibility of Interest**

Holders who borrow money in order to fund an investment in Bonus Certificates should obtain tax advice specific to their own circumstances as to whether, and to what extent, they may be able to claim a tax deduction for interest incurred.

### **GST**

Bonus Certificates should not give rise to any liability for Holders to pay Goods & Services Tax.

### **Stamp duty**

Acquisition, sale or redemption of Bonus Certificates should not be liable to stamp duty.

### **UNITED STATES SECTION 871(M) WITHHOLDING**

Section 871(m) of the United States Internal Revenue Code and related US Treasury regulations impose a 30% (or lower treaty rate) US federal withholding tax on dividend equivalent amounts paid or deemed paid to non-US persons with respect to certain financial instruments linked to US equities. Dividend equivalent amounts are generally determined by reference to actual dividends paid on those US equities during the term of the financial instrument or, under certain circumstances, estimates of those dividends. Certain exceptions apply for instruments linked to qualified indices, certain broad-based indices that meet requirements set forth in the applicable US Treasury regulations, as well as qualified index securities, instruments that track such indices.

Citi has determined that the Underlying Shares consist solely of one or more qualified indices and/or qualified index securities. Accordingly, Citi will not treat the Bonus Certificate as subject to US withholding tax under section 871(m). The determination that the Bonus Certificate is not subject to withholding tax under section 871(m) is not binding on the United States Internal Revenue Service, which may disagree with this determination.

Section 871(m) is complex and its application may depend on your particular circumstances. For example, if you enter into other transactions with respect to components of an Underlying Share, you could be subject to withholding tax or income tax liability under section 871(m) even if the Bonus Certificate are not subject to section 871(m) as a general matter. You should consult your tax adviser regarding the potential application of section 871(m) to the Bonus Certificate in your circumstances.

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## Section 7: Detailed terms

The terms and conditions in this section of the PDS (**Detailed Terms**):

- are terms and conditions which you agree apply to your investment in Bonus Certificates; and
- prevail over the remaining terms and conditions in the rest of this PDS (**Remaining Terms**) in the event of any inconsistency or ambiguity.

These Detailed Terms and the Remaining Terms are referred to together as 'the Terms'. Other capitalised words are defined in clause 13. The Terms, together with the matters specified in the relevant Series Term Sheet, comprise the 'Terms of Issue' for the Bonus Certificate for the purposes of the ASX Operating Rules.

### 1 Purchase and options

- (a) A person may buy Bonus Certificates in a Series, including from Citi, where the following conditions are satisfied:
  - (i) the relevant Bonus Certificates are listed and trading on ASX;
  - (ii) the purchase is effected by the person's broker through ASX; and
  - (iii) the purchase would not result in any maximum total number or value of Bonus Certificates set by Citi or ASX being exceeded.
- (b) A person who buys Bonus Certificates agrees to be bound by the Terms.

#### 1.2 Redemption Amount as Underlying Assets

- (a) Subject to clause 1.2(b), a Holder may make an election to receive some or all of the total Redemption Amounts payable in respect of the Bonus Certificates held by them in a Series in the form of Underlying Assets to which the Bonus Certificates relate.
- (b) An election under clause 1.2(a):
  - (i) may not be exercised by a Holder in respect of Bonus Certificates if the Holder has already exercised an election under clause 1.3 in respect of the same Bonus Certificates;
  - (ii) may only be made by completing and submitting to Citi an Exercise Notice by:
    - (A) no earlier than 10 Business Days before the Termination Date; and
    - (B) no later than 5 Business Days before the Termination Date; and
  - (iii) is irrevocable and binding upon the Holder making the election.
- (c) If an election is validly made under clauses 1.2(a) and (b), then:
  - (i) Citi must deliver Underlying Assets to the Holder, with the number to be determined by reference to matters including the Exercise Price and after taking into account any Exercise Costs, free from any security or third party interests or restriction on transfer (other than one that has been accepted by ASX for the purpose of quotation of the property comprising the Underlying Asset);
  - (ii) the Holder irrevocably authorises Citi (either itself or through a person acting on its behalf) to do all things required to be done to enable Citi to fulfil its obligations under clause 1.2(c)(i) and the Holder to take delivery of the relevant number of Underlying Assets.

#### 1.3 Call Option Shares

- (a) Subject to clause 1.3(b), a Holder may make an election to receive part of the total Redemption Amounts or, if applicable, part of the total Early Redemption Amounts, in respect of all Bonus Certificates held by them in a Series, in the form of 2 Call Option Shares.
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- (b) An election under clause 1.3(a):
  - (i) may not be exercised by a Holder in respect of Bonus Certificates if the Holder has already exercised an election under clause 1.2 in respect of the same Bonus Certificates;
  - (ii) may only be made:
    - (A) in respect of all of a Holder's Bonus Certificates in a Series;
    - (B) by completing and submitting to Citi the approved form that is made available by Citi for this purpose by no later than 5 Business Days before the Termination Date; and
  - (iii) is irrevocable and binding upon the Holder making the election (but does not apply to, or in respect of, any subsequent Holder of the Bonus Certificates).

## **2 Termination Date**

### **2.1 Redemption Amount**

In respect of a Bonus Certificate that is held by a Holder at the Close of Trading for the Underlying Asset on the Termination Date, Citi will:

- (a) unless clause 2.1(b) or clause 2.1(c) applies, deliver the Redemption Amount to the Holder's Settlement Account (or pay it by cheque to the Holder if there is no Settlement Account) within 10 Business Days of the Settlement Date or as soon as is reasonably practicable thereafter;
  - (b) if an election has been validly made under clauses 1.2(a) and (b), deliver:
    - (i) a whole number of Underlying Assets to the Holder in accordance with clause 1.2(c); and
    - (ii) any balance (after deductions for the Underlying Assets including for any Exercise Costs) to the Holder's Settlement Account (or pay it by cheque to the Holder if there is no Settlement Account),
    - (iii) within 10 Business Days of the Settlement Date or as soon as is reasonably practicable thereafter;
  - (c) if:
    - (i) an election has been validly made under clause 1.3 and it continues to apply; and
    - (ii) the Holder does not hold any Bonus Certificates in the same Series which have a later Termination Date,

deliver within 10 Business Days of the Settlement Date or as soon as is reasonably practicable thereafter:

    - (iii) to the Holder, 2 Call Option Shares; and
    - (iv) if the value of the 2 Call Option Shares (as determined by Citi) is less than the total of the relevant Redemption Amounts, to the Holder's Settlement Account (or pay it by cheque to the Holder if there is no Settlement Account), the Redemption Amount less  $(2 / N1 * \text{the market close price of the Call Option Shares as reported and disseminated by the Relevant Exchange at the Close of Trading})$ , unless it is not possible to determine the price of the Call Option Shares at that time, in which case Citi may determine it to be Citi's best estimate of the price of the Call Option Shares at the Close of Trading), where N1 is the number of Bonus Certificates in the relevant Series held by the Holder and due to be redeemed at that time.
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## **2.2 Satisfaction of obligations**

After Citi complies with clause 2.1, all obligations of Citi to the Holder under the Terms in respect of the Bonus Certificate in question are deemed to be satisfied in full and Citi is discharged from those obligations.

## **2.3 Failure of Citi to Perform**

- (a) If Citi fails to perform any of its obligations under clause 2.1(b), Citi must pay to the Holder by cheque a liquidated damages payment payable in accordance with Section 10.12 of Schedule 10 to the ASX Operating Rules, subject to the receipt from the Holder of a notice requiring payment pursuant to Section 10.12 of Schedule 10 to the ASX Operating Rules.
- (b) If a Holder does not exercise its rights to provide a notice to Citi pursuant to clause 2.3(a) and Section 10.12 of Schedule 10 to the ASX Operating Rules, nothing in these Terms of Issue or the ASX Operating Rules derogates from a Holder's right in relation to any other accrued rights and remedies.

## **2.4 Interest**

If Citi does not pay the amount calculated in accordance with clause 2.3 by the time specified, interest accrues on that amount at the Default Rate accruing daily from the last day on which Citi was required to pay the Holder under clause 2.3 until payment is made.

## **2.5 Acknowledgment**

The Holder and Citi acknowledge to each other that the amounts of damages calculated under clauses 2.3 and 2.4 are a genuine pre-estimate of the damage that the Holder would suffer from the failure of Citi to perform its obligations under clause 2.3 and that on a Holder giving notice under clause 2.3 to Citi, Citi is relieved of its obligations under clause 2.1 and its only obligation is to make the payments required by clauses 2.3 or 2.4.

# **3 Early Termination Date**

## **3.1 Early Termination Event**

Citi may in its absolute discretion nominate any of the following events to be an Early Termination Event if it occurs or is likely to occur on or before the Termination Date:

- (a) an Adjustment Event or a Hedging Event that occurs or is likely to occur where, in Citi's reasonable opinion, it is not possible or desirable to deal with the event under clause 4;
- (b) where the Underlying Asset is a share or ETF and there is a suspension or material limitation of trading in the shares or ETF on the Relevant Exchange (or any successor) for a period of 24 hours or more;
- (c) where the Underlying Asset is an index and the Index Provider discontinues dissemination or the publication of the index;
- (d) if Citi determines in good faith that the performance of its obligations in relation to or under the Terms has or will become, in circumstances beyond the reasonable control of Citi, impossible, unlawful, illegal or otherwise prohibited as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any government, administrative, legislative or judicial authority or power;
- (e) any actual or likely event that may reasonably (in Citi's opinion) be expected to lead to any of the events referred to in paragraphs (a) to (d) above occurring.

If any event occurs which constitutes both an Adjustment Event or a Hedging Event (as applicable, on the one hand) and an Early Termination Event (on the other), Citi may, in its discretion, treat the event either as an Adjustment Event or a Hedging Event (as applicable) or as an Early Termination Event.

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### 3.2 Early Termination

- (a) Where Citi nominates an event as an Early Termination Event, Citi may, in its absolute discretion, determine that Early Termination will occur and specify a date as the Early Termination Date. Citi will give written notice of the Early Termination Date to the Holder before the Early Termination Date or as soon as is reasonably practicable after the Early Termination Date.
- (b) Early Termination will occur in respect of a Bonus Certificate that is held by a Holder at the Close of Trading for the Underlying Asset on the Early Termination Date, by Citi:
  - (i) unless clause 3.2(b)(ii) applies, delivering the Early Redemption Amount to the Holder's Settlement Account (or paying it by cheque to the Holder if there is no Settlement Account) within 10 Business Days of the Settlement Date or as soon as is reasonably practicable thereafter;
  - (ii) if:
    - (A) an election has been validly made under clause 1.3 and it continues to apply; and
    - (B) the Holder does not hold any Bonus Certificates in the same Series which will be redeemed at a later time,  
delivering within 10 Business Days of the Settlement Date or as soon as is reasonably practicable thereafter:
      - (C) to the Holder, 2 Call Option Shares; and
      - (D) if the value of the 2 Call Option Shares (as determined by Citi) is less than the total of the relevant Early Redemption Amounts, to the Holder's Settlement Account (or paying it by cheque to the Holder if there is no Settlement Account), the Early Redemption Amount less  $(2 / N2 * \text{the market close price of the Call Option Shares as reported and disseminated by the Relevant Exchange at the Close of Trading, unless it is not possible to determine the price of the Call Option Shares at that time, in which case Citi may determine it to be Citi's best estimate of the price of the Call Option Shares at the Close of Trading})$ , where N2 is the number of Bonus Certificates in the relevant Series held by the Holder and due to be redeemed at that time.
- (c) After Citi complies with clause 3.2(b), all obligations of Citi to the Holder under the Terms in respect of the Bonus Certificate in question are deemed to be satisfied in full and Citi is discharged from those obligations.

### 3.3 Early Redemption Amount

If Early Termination occurs, Citi does not guarantee that the Early Redemption Amount will be worked out in the same way, or in a similar way, to the way in which the Redemption Amount would have been worked out.

### 3.4 Adjustments

Where Citi determines that any of the provisions of this clause 3 is not appropriate in any particular circumstances, or that any event which is not dealt with in this clause 3 should have been dealt with, it may make any alterations to the effect of this clause 3 or to any other term or condition that it considers appropriate.

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## 4 Adjustment Events and Hedging Events

### 4.1 Adjustment Events

If an Adjustment Event occurs or is likely to occur on or before the Termination Date, Citi may in its discretion elect to do any or all of the following:

- (a) substitute an Underlying Asset with another index or with other shares or another ETF quoted and traded on the Relevant Exchange at the discretion of Citi; and/or
- (b) adjust or amend any variable, formula, amount or calculation as set out or used in the Terms (including in section 1 of this PDS or the Series Term Sheet); and/or
- (c) determine to suspend any of the necessary calculations referred to in the Terms as appropriate until reliable values can be obtained,

in a manner consistent with this PDS provided that in the reasonable opinion of Citi the adjustment is appropriate to put both Citi and the Holder in substantially the same economic position as the Holder and Citi would have been in had the Adjustment Event not occurred. If, in the reasonable opinion of Citi, it is not possible or desirable to deal with the Adjustment Event under this clause 4.1, Citi may nominate the event as an Early Termination Event and deal with it under clause 3. Citi will notify the Holder of any adjustment that it proposes to make under this clause 4.1 before the adjustment occurs or as soon as is reasonably practicable after the adjustment occurs.

### 4.2 Hedging Events

Citi has the discretion, to be exercised in good faith and in a commercially reasonable manner, to make adjustments to the Terms if a Hedging Event occurs or is likely to occur where:

- (a) on any Trading Day Citi is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or desirable to hedge the risk of entering into and performing its obligations with respect to the Bonus Certificates, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) (a **Hedging Disruption**); or
- (b) on any Trading Day Citi would incur a materially increased (as compared with circumstances existing on the Initial Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or desirable to hedge the risk of entering into and performing its obligations with respect to the Bonus Certificates, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s) (an **Increased Cost of Hedging** and, along with Hedging Disruptions, each a **Hedging Event**) provided that any such materially increased amount that is incurred solely due to the deterioration of the credit-worthiness of Citi is not an Increased Cost of Hedging.

In this case Citi may make such adjustments to the Terms as it determines appropriate to account for any such Hedging Event and determine the date(s) on which any such adjustments will be effective. If, in the reasonable opinion of Citi, it is not possible or desirable to deal with the Hedging Event under this clause 4.2, Citi may nominate the event as an Early Termination Event and deal with it under clause 3. Citi will notify the Holder of any adjustment that it proposes to make under this clause 4.2 before the adjustment occurs or as soon as is reasonably practicable after the adjustment occurs.

## 5 Underlying Assets

These Terms do not confer on the Holder any right or interest in any Underlying Asset or in any Accretions to an Underlying Asset. Accretions to an Underlying Asset may lead to adjustments as

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provided for in clause 4.

## **6 Citi's obligations**

Citi's obligations under the Terms are direct, unconditional and unsecured obligations of Citi which rank equally with Citi's existing unsecured debt.

## **7 Taxes**

Citi is not liable for, and the Holder must pay, any Taxes or other charges payable by the Holder in relation to or in connection with the Terms.

## **8 Representations and warranties**

By acquiring a Bonus Certificate from Citi or from another Holder, the acquirer represents and warrants to Citi (as a continuing representation and warranty) that:

- (a) the acquirer has full legal capacity, and has taken all actions that are necessary, to be bound by the Terms;
- (b) the acquirer has reviewed the Terms and has made its own independent investigations and appraisals of the legal, taxation, commercial and credit aspects of the Bonus Certificates;
- (c) the acquirer has not received or relied on any representations from Citi regarding the suitability or appropriateness of the Bonus Certificates; and
- (d) the acquirer has obtained all consents which may be required by law to enable the Holder to invest in Bonus Certificates and to become registered as the Holder of the Bonus Certificates and that the registration of the Holder as the Holder of the Bonus Certificates will not contravene any law, regulation or ruling.

## **9 Set off rights**

- (a) All monetary obligations imposed on the Holder under the Terms are absolute, free of any right to counterclaim or set off and may only be satisfied once the payment has cleared.
- (b) Citi may set off any amount payable to it by the Holder against any amount payable by Citi to the Holder. Citi may withhold any amount payable by it to the Holder in satisfaction of any amount payable to it by the Holder.

## **10 Notices**

- (a) Any notice or statement to be given or demand to be made on the Holder under the Terms:
    - (i) will be effectively signed on behalf of Citi if it is executed by Citi, any of its officers, its solicitor or its attorney; and
    - (ii) may be served by being delivered personally to, by being left at, by being e-mailed to, or by being posted in a prepaid envelope or wrapper to the Holder's address notified to Citi or the Holder's registered office, place of business, or residence last known to Citi, or by being sent to the Holder by facsimile transmission.
  - (b) A demand or notice if:
    - (i) posted will be deemed served two Business Days after posting; or
    - (ii) sent by facsimile or electronic transmission will be deemed served on conclusion of transmission.
  - (c) Service by any of these methods will be valid and effectual even if the Holder does not
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receive the document or if the document is returned to Citi unclaimed.

## **11 Amendment**

Citi may by a notice sent to the Holder make any modification, variation, alteration or deletion of, or addition to, the Terms (**Change**) where:

- (a) the Change is one determined by Citi as being required or permitted under either of clauses 3 or 4;
- (b) the Change is necessary or desirable in the reasonable opinion of Citi to comply with any statutory or other requirement of law; or
- (c) the Change is desirable to correct an inconsistency or error in the Terms (but only if such Change does not, in the opinion of Citi, materially prejudice the interests of the Holder).

Citi will give the Holder notice of any Change to the Terms and the Holder will be bound by any such Change from the time the Holder is served with such notice.

## **12 General**

### **12.1 No merger**

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

### **12.2 Rounding**

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

### **12.3 Certificates**

Any document or thing required to be certified by the Holder or Citi must be certified by the Holder (if an individual) or a director, secretary or authorised officer of the Holder (if a company) or a director, secretary or authorised officer of Citi, as the case requires, or in any other manner that Citi may approve.

### **12.4 Power of attorney**

For valuable consideration the Holder irrevocably appoints Citi, its nominees and any of their directors and secretaries or any employee whose title includes the words *director*, *head* or *manager* severally as attorney of the Holder to do (either in the name of the Holder or the name of the attorney) all acts and things that the Holder is obliged to do under the Terms or which, in the opinion of Citi, are necessary or desirable in connection with the Bonus Certificates or the protection of Citi's interests or the exercise of the rights, powers and remedies of Citi.

### **12.5 Invalid or unenforceable provisions**

If a provision of the Terms is invalid or unenforceable in a jurisdiction, it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability, and that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

### **12.6 Waiver and exercise of rights**

A single or partial exercise of a right by Citi does not preclude another exercise or attempted exercise of that right or the exercise of another right. Failure by Citi to exercise or delay in

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exercising a right does not prevent its exercise or operate as a waiver.

## **12.7 Assignment and transfer**

- (a) Citi may transfer its rights and obligations under the Terms at any time by giving notice to the Holder (and in the case of Citi transferring obligations, the power of attorney in clause 12.4 will extend to any novation deed or agreement that Citi considers desirable to give effect to the transfer of obligations).
- (b) A Bonus Certificate may be transferred by a Holder by instrument in writing, in any form authorised by the Corporations Act or, subject to the Corporations Act, in any other form that Citi approves.
- (c) A transferor of a Bonus Certificate remains the holder and Holder until the transfer is registered.
- (d) A Bonus Certificate may be transferred in any manner permitted by an applicable uncertificated trading system. Citi may require before registration of any such transfer that there be provided to Citi any documents which the rules of the uncertificated system require or permit Citi to require be provided to it to authorise registration.
- (e) Where a Bonus Certificate is transferred other than in accordance with an applicable uncertificated trading system, the following documents must be lodged for registration at Citi's registered office or the location of the Register:
  - (i) the instrument of transfer (duly stamped if relevant);
  - (ii) the certificate (if any) for the Bonus Certificate;
  - (iii) any other information that Citi may require to establish the transferor's right to transfer the Bonus Certificate.
- (f) On compliance with paragraph (e), Citi will, subject to the powers or obligations of Citi to refuse registration, register the transferee as the holder and Holder. Citi may waive compliance with subparagraph (e)(ii) on receipt of satisfactory evidence of loss or destruction of the certificate.
- (g) Subject to the Corporations Act, ASX requirements or the rules of any applicable uncertificated trading system, Citi may refuse to register any transfer of a Bonus Certificate.
- (h) When a Holder deals with the Bonus Certificates in a manner that does not involve the transfer of legal ownership of the Bonus Certificates, Citi has no duty to record the dealing on the Register. Citi and the registrar are entitled to rely on the Register as the definitive record of ownership of the Bonus Certificates.

## **12.8 Recording conversations**

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

## **12.9 Calculations and determinations**

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

## **12.10 Payments by Citi**

All amounts payable by Citi under the Terms will be paid to the Holder's Settlement Account. If there is no Settlement Account for the Holder, payment will be made by Citi drawing a cheque made payable to the Holder which will be sent to the Postal Address for the Holder and on doing so Citi is discharged from its obligations under the Terms.

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### 12.11 Governing law and jurisdiction

These Terms are governed by the laws of New South Wales. The Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and waives any claim or objection based on absence of jurisdiction or inconvenient forum.

### 12.12 Time of the essence

Time is of the essence in respect of the obligations of the Holder under the Terms.

## 13 Definitions and interpretation

### 13.1 Definitions

In these Detailed Terms, unless the context requires otherwise:

**Accretions** means all rights, accretions and entitlements attaching to an Underlying Asset including all voting rights, all dividends and all rights to receive dividends and other distributions or shares, notes, options, units or other financial products exercisable, declared, paid or issued in respect of the Underlying Asset.

**Adjustment Event** means, in relation to a Underlying Asset, any of the following events:

- (a) where the Underlying Asset is a share or ETF:
    - (i) the actual or proposed adoption of any procedure, event or action which is or which is likely to result in any cash return of capital, pro-rata cash distribution, capital reduction, liquidator's distributions, share or unit buy-back, bonus issue, rights issue, arrangement, scheme of arrangement, compromise, merger, demerger, reconstruction, compulsory acquisition, redemption, cancellation, replacement, modification, subdivision or consolidation, takeover bid, special dividend or distribution, non-cash dividend or distribution, share or unit split or any other similar or like event (but excludes the payment by the Issuer of cash dividends or distributions);
    - (ii) any event which is or which results in the actual or proposed administration, liquidation, winding up or termination of the Issuer or other similar or like event (however described); or
    - (iii) any event which is or which results in the actual or proposed de-listing of the Underlying Asset or the actual or proposed removal from quotation of the Underlying Asset or the actual or proposed Suspension from trading of the Underlying Asset;
  - (b) where the Underlying Asset is an index:
    - (i) the Underlying Asset is suspended or ceases to be published for a period of 24 hours or more;
    - (ii) the Underlying Asset is not calculated and announced by the Index Provider but is calculated and announced by a successor to the Index Provider;
    - (iii) the Underlying Asset is replaced by a successor index using the same or a substantially similar formula for and method of calculation; or
    - (iv) there is a Suspension or material limitation on trading of securities generally on a Relevant Exchange for a period of 24 hours or more;
  - (c) any actual or likely event that may reasonably (in Citi's opinion) be expected to lead to any of the events referred to in paragraphs (a) or (b) above occurring;
  - (d) where any *force majeure* event occurs, or any other event occurs which Citi determines in good faith results in the performance of its obligations having or becoming, in
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circumstances beyond its reasonable control, impossible, unlawful, illegal or otherwise prohibited; or

- (e) any other event which Citi reasonably declares to be an Adjustment Event.

**ASX** means ASX Limited (ABN 98 008 624 691).

**Barrier Level** means, in respect of a Bonus Certificate:

- (a) the level specified as such in the relevant Series Term Sheet; or
- (b) where permitted, the level specified as such in a replacement Series Term Sheet published by Citi.

**Barrier Percentage** has a meaning affected by section 1 of this PDS.

**Bonus Certificate** means an investment by a Holder governed by the Terms.

**Bonus Level** means, in respect of a Bonus Certificate:

- (a) the level specified as such in the relevant Series Term Sheet; or
- (b) where permitted, the level specified as such in a replacement Series Term Sheet published by Citi.

**Bonus Percentage** has a meaning affected by section 1 of this PDS.

**Business Day** means a day on which banks are open for business in Sydney, but does not include a Saturday, Sunday or public holiday.

**Call Option Shares** means the shares identified as such in accordance with section 1 of this PDS or, where anything similar to, or the same as, an Adjustment Event occurs in respect of those shares or its Issuer, such substitute shares as determined by Citi.

**Change** has the meaning given in clause 11.

**Citi** means Citigroup Global Markets Australia Pty Limited, the issuer of the Bonus Certificates.

**Close of Trading** means, in respect of a particular day, the close of trading of the Relevant Exchange on that day (or, in the case of a day that is not a Trading Day, on the Trading Day immediately following that day).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Default Rate** means, on any day, the interest rate calculated by adding 2 per cent to the prime rate (being the base lending rate published for prime corporate customers by Citi in Australia) which applies on that day to overdrafts with Citi.

**Early Redemption Amount** means the amount determined by Citi in its absolute discretion and by whatever means Citi deems appropriate. In determining the Early Redemption Amount, Citi may make adjustments for any costs, losses or expenses that it incurs in relation to the Early Termination, including costs and Taxes, break costs, administrative costs, costs of unwinding any hedge put in place for the purposes of meeting its obligations under the Terms and any cost of funding or any loss of bargain.

**Early Termination** means the early termination of Bonus Certificates under clause 3.

**Early Termination Date** means the date notified to the Holder as such in a notice issued under clause 3.2(a).

**Early Termination Event** has the meaning given in clause 3.

**ETF** means exchange-traded fund.

**Exercise Cost** means any cost relating to a Holder exercising the right under clause 1.2.

**Exercise Notice** means a notice of that name in the form attached to this PDS.

**Exercise Price** means, in respect of a Bonus Certificate, the Holder's Specified Share's or ETF's Quoted Price at the Close of Trading for the Underlying Asset on the Termination Date.

**GST** has the meaning given in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

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**Hedging Disruption** has the meaning given in clause 4.2(a).

**Hedging Event** has the meaning given in clause 4.2(b).

**Holder** means, in respect of a Bonus Certificate at a particular time:

- (a) unless another paragraph of this definition is satisfied at the particular time, the person who buys the Bonus Certificate from Citi in accordance with clause 1;
- (b) unless paragraph (c) of this definition is satisfied at the particular time, the transferee or transferees of the Bonus Certificate from a transferor or transferors covered by paragraph (a);
- (c) the transferee or transferees of the Bonus Certificate from a transferor or transferors covered by paragraph (b) or this paragraph (c).

**Holder's Specified Index** means, where the Underlying Asset is an index and on a particular day, the official closing level of the index at the Close of Trading, as reported by the Index Provider.

**Holder's Specified Share's or ETF's Quoted Price** means, where the Underlying Asset is a share or ETF and on a particular day, the market close price of the share or ETF as reported and disseminated by the Relevant Exchange at the Close of Trading, unless it is not possible to determine the price of the share or ETF at that time, in which case Citi may determine it to be Citi's best estimate of the price of the share or ETF at the Close of Trading.

**Increased Cost of Hedging** has the meaning given in clause 4.2(b).

**Index Provider** means, in relation to an Underlying Asset which is an index, the entity which is responsible for the calculation and dissemination of the index.

**Initial Issue Date** means, in respect of a Bonus Certificate, the date specified as such in the relevant Series Term Sheet.

**Initial Price** means, in respect of a Bonus Certificate:

- (a) the amount specified as such in the relevant Series Term Sheet; or
- (b) where permitted, the amount specified as such in a replacement Series Term Sheet published by Citi.

**Issuer** means, in relation to a Underlying Asset which is a share, the company in which the share is issued, and in relation to a Underlying Asset which is an ETF, the company which issues interests in the ETF.

**Level of the Holder's Specified Index** means, where the Underlying Asset is an index:

- (a) on the Initial Issue Date - the Initial Price; and
- (b) on any later date - the Initial Price \* (the Holder's Specified Index at the Close of Trading for the Underlying Asset on that later date / the Holder's Specified Index at the Close of Trading for the Underlying Asset on the Initial Issue Date, or, where the Initial Price is re-set by Citi, the date on which it is re-set).

**Level of the Holder's Specified Share's or ETF's Quoted Price** means, where the Underlying Asset is a share or ETF:

- (a) on the Initial Issue Date - the Initial Price; and
- (b) on any later date - the Initial Price \* (the Holder's Specified Share's or ETF's Quoted Price at the Close of Trading for the Underlying Asset on that later date / the Holder's Specified Share's or ETF's Quoted Price at the Close of Trading for the Underlying Asset on the Initial Issue Date, or, where the Initial Price is re-set by Citi, the date on which it is re-set).

**Postal Address** means the postal address properly communicated to Citi or ASX in respect of the relevant Holder.

**Product Disclosure Statement** or **PDS** means the product disclosure statement containing

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these Detailed Terms.

**Redemption Amount** means, in respect of a Bonus Certificate:

- (a) if the Level of the Holder's Specified Share's or ETF's Quoted Price or the Level of the Holder's Specified Index (as applicable) does not reach the Barrier Level at any time before the Close of Trading for the Underlying Asset on the Termination Date, the higher of:
  - (i) the Bonus Level; and
  - (ii) the Level of the Holder's Specified Share's or ETF's Quoted Price or the Level of the Holder's Specified Index (as applicable) at the Close of Trading for the Underlying Asset on the Termination Date; and
- (b) if the Level of the Holder's Specified Share's or ETF's Quoted Price or the Level of the Holder's Specified Index (as applicable) does reach the Barrier Level at any time before at the Close of Trading for the Underlying Asset on the Termination Date, the Level of the Holder's Specified Share's or ETF's Quoted Price or the Level of the Holder's Specified Index (as applicable) at the Close of Trading for the Underlying Asset on the Termination Date.

**Register** means the register of Bonus Certificates to be maintained by a registrar chosen by Citi.

**Relevant Exchange** means in the case of:

- (a) a share or ETF, the primary exchange upon which that share or ETF is traded;
- (b) an index, the primary exchange upon which the financial products which primarily constitute that index are traded,

as determined in the absolute discretion of Citi.

**Relevant Termination Date** means the Termination Date or, if Early Termination occurs, the Early Termination Date.

**Series** refers to the Bonus Certificates specified in a Series Term Sheet accompanying this PDS.

**Series Term Sheet** has the meaning explained in the 'Important information' section of this PDS.

**Settlement Account** means the transactional banking account held with an authorised deposit-taking institution which is properly communicated to Citi or ASX in respect of the relevant Holder.

**Settlement Date** means, in respect of a Bonus Certificate, the fifth Trading Day after the Relevant Termination Date or such later date as determined by Citi in its discretion as is reasonably necessary for Citi to fulfil its obligations under the Terms.

**Suspension** means a cessation of the trading or quotation of financial products, as formally announced by the Relevant Exchange, but does not include a trading halt.

**Tax or Taxes** means any income tax (including tax on capital gains), GST, withholding tax, stamp duty, registration or any other duty, levy, or government impost, together with any interest or penalty thereon.

**Termination Date** means, in respect of a Bonus Certificate, the date determined by Citi in accordance with section 1 of this PDS and specified as such in the updated Series Term Sheet.

**Trading Day** has the meaning given in ASX's operating rules.

**Underlying Asset** means a share, ETF or index to which a Bonus Certificate may be linked as described in section 1 of this PDS.

## 13.2 Interpretation

- (a) In these Detailed Terms, unless the context requires another meaning:
  - (i) The singular includes the plural, and the converse also applies.

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- (ii) A gender includes all genders.
  - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
  - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
  - (v) A reference to a clause is a reference to a clause.
  - (vi) A reference to an agreement or document (including these Detailed Terms) is to the agreement or document as amended, supplemented, novated or replaced.
  - (vii) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
  - (viii) A reference to dollars and \$ is to Australian currency.
  - (ix) A reference to a right or obligation of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
  - (b) Headings are for convenience only and do not affect interpretation.
  - (c) Mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included.
  - (d) If a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day.
  - (e) If a period occurs from, after or before a day or the day of an act or event, it excludes that day.
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## ATTACHMENT – EXERCISE NOTICE

[insert date]

Citi Warrants Operations  
Citigroup Global Markets Australia Pty Limited  
GPO Box 557  
Sydney NSW 2001

**[insert name]**

of [insert address]

being the Holder of the CitiFirst Bonus Certificates specified below, hereby exercise the right granted under clause 1.2 (Redemption Amount as Underlying Assets) of the Detailed Terms in the PDS in respect of the CitiFirst Bonus Certificates specified below.

This Exercise Notice is irrevocable.

By completing this Exercise Notice, I/we represent and warrant that the CitiFirst Bonus Certificates specified below are neither directly nor indirectly held in favour of a US person (as defined in the PDS) and that they have been acquired in accordance with the sales restrictions set forth in the PDS.

*Completed if the Holder is a company*

**[COMPANY NAME] LIMITED** )  
 )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Office held

\_\_\_\_\_  
Office held

*Completed if the Holder is an individual*

**SIGNED SEALED and DELIVERED** )  
by [NAME] )  
in the presence of: )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Print name

\_\_\_\_\_

Please complete the table below to identify the Bonus Certificates you would like to be covered by this notice. To find the relevant details, please refer to the Series Term Sheet for the Bonus Certificates and your holding statements.

| Series              | Initial Issue Date | Termination Date | Warrant ASX Code | Underlying Asset  |
|---------------------|--------------------|------------------|------------------|-------------------|
| [eg Series 01-2023] | [eg 26/07/2023]    | [eg 30/10/2024]  | [eg XJOB0B]      | [eg S&P/AS X 200] |
|                     |                    |                  |                  |                   |
|                     |                    |                  |                  |                   |
|                     |                    |                  |                  |                   |
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**Directory****Issuer**

Citigroup Global Markets Australia Pty Limited  
Level 21  
Citigroup Centre  
2 Park Street  
Sydney NSW 2000

**Registrar**

Computershare Investor Services Pty Limited  
Level 4  
60 Carrington Street  
Sydney NSW 2000

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