

DISTRIBUTION TERMS

In Relation To Structured Products

These Terms set out the rights and obligations of Citigroup Global Markets Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, a company registered in England and Wales with company number 1763297 and a registered office at the above address and Citigroup Global Markets Europe AG of Reuterweg 16 (Frankfurter Welle), 60323, Frankfurt am Main, Germany (together as “**Citi**”) and you as distributor (hereinafter referred to as the “**Distributor**”) (each a “**party**”) in relation to the Selling Activities (as defined below).

1. Definitions.

“**Affiliate**” shall mean, in respect of a specified entity, an entity which directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, such specified entity, and control for this purpose means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise.

“**Applicable Authority**” means, in relation to either party, any government body or other authority which is responsible for authorising, supervising or otherwise regulating any part of that party or its business or which otherwise has jurisdiction over that party for such purposes.

“**Applicable Laws**” means all laws, regulations, court orders and selling restrictions applicable to Citi or the Distributor (or any Sub-Distributor), as well as any guidelines and codes (whether or not having the force of law) issued by any Applicable Authority, including, but not limited to, those laws, regulations, court orders, selling restrictions, guidelines and codes in any Relevant Jurisdiction.

“**Approved Marketing Materials**” has the meaning given to it in Term 3.h.

“**Authorization**” has the meaning given to it in Term 5.a(v).

“**Cancelled Offer Notice**” shall mean a notice from Citi to the effect that at any time prior to the date on which the relevant Product(s) would otherwise be issued, the offer of the relevant Product(s) is cancelled (and “**Cancelled Offer**” shall be construed accordingly).

“**Citi Indemnified Party**” has the meaning given to it in Term 8.a.

“**COBS**” means the Conduct of Business Sourcebook in the FCA Handbook.

“**Distributor Event of Default**” has the meaning given to it in Term 9.c.

“**Event of Default**” has the meaning given to it in Term 9.b.

“**FCA**” means the Financial Conduct Authority and any successor body.

“**FCA Distributor**” means a Distributor that is an FCA regulated entity that is engaged in Selling Activities to UK Retail Investors.

“**FCA Handbook**” means the UK Financial Conduct Authority Handbook or any successor rulebook.

“**FCA Sub-Distributor**” means any Sub-Distributor that is an FCA regulated entity that is engaged in Selling Activities to UK Retail Investors.

“**Indemnified Party**” has the meaning given to it in Term 8.c.

“Investor” shall mean any Person investing in a Product (and **“potential Investor”** shall be construed accordingly). For the avoidance of doubt, the Distributor and any Sub-Distributor shall not be an Investor for the purposes of these Terms.

“Issuer” shall mean, in respect of a Product, the issuer of such Product.

“Key Information Document” or **“KID”** means the pre-contractual product disclosure document required under the PRIIPs KID Regulation.

“Loss” shall mean any and all actions, liabilities, proceedings, claims, demands, losses, damages and costs that have actually been incurred and reasonable expenses (including fines, compensation, legal and professional fees and expenses, but excluding loss of profits and internal costs).

“Marketing Materials” means any materials prepared in connection with the offering or sale of a Product in physical or electronic format, including any key features documents, flyers, sales brochures, term or fact sheets, terms and conditions or similar materials.

“MiFID 2” shall mean Directive 2014/65/EU and Regulation (EU) No 600/2014 on markets in financial instruments, including all EU and national implementing measures, as amended, updated or succeeded from time to time including, as applicable, the retained MiFID 2 Regulation in the United Kingdom along with any directly associated framework, principles, guidelines, rules, regulations or laws governing markets in financial instruments.

“Offer Period” shall mean, in respect of a Product, the period specified as such in the relevant Prospectus, Termsheet or Simplified Prospectus in respect of such Product (if any).

“Person” shall mean a natural person, company, partnership, trust, joint venture, association, organization, or other entity, whether or not having separate legal personality.

“PRIIP” shall have the meaning given to it in the PRIIPs KID Regulation.

“PRIIPs KID Regulation” shall mean Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products, and any related delegated regulations as well as any related circulars, leaflets or other guidance published by a relevant competent authority, and as amended, updated or succeeded from time to time including, as applicable, the retained PRIIPs KID Regulation in the United Kingdom along with any directly associated framework, principles, guidelines, rules, regulations or laws governing the key information documents for packaged retail and insurance-based investment products.

“Proceedings” shall mean any legal action or proceeding arising out of or in connection with these Terms.

“Product” shall mean a structured note, bond, warrant, certificate or other financial instrument whose value is derived in whole or in part by reference to one or more Underlying, that is sponsored, promoted or endorsed, and made available to the Distributor, by Citi (and **“Products”** shall be construed accordingly).

“Prospectus” shall mean with respect to a Product, the disclosure document or documents (howsoever described) containing the complete terms and conditions relating to such Product (as may be amended or supplemented from time to time) including, but not limited to, any offering circular or securities note (or any related final terms or pricing supplement) but which excludes Marketing Materials.

“Relevant Jurisdiction” shall mean, in respect of a Product, each jurisdiction specified as such in the Prospectus, Termsheet or Simplified Prospectus in respect of such Product (or if not so specified, as agreed by Citi and the Distributor).

“Remuneration” shall mean any benefit that the Distributor receives from a person (including the Issuer or third party), or pays to a person (including the Sub-Distributor or third party) in relation to any Selling Activities, including but not limited to, mark-ups and discounts on the issue price, fees, commissions, rebates or other monetary or non-monetary benefits, howsoever paid.

“Retail Investment Product” shall have the meaning in the FCA Handbook.

“Retail Investor” shall have the meaning set out in MiFID 2 or any equivalent category of investor in any jurisdiction outside the European Economic Area (“**EEA**”).

“Sanctions” means economic sanctions administered or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control, the U.S. Department of State, the United Nations, the European Union, a member state of the European Union, the United Kingdom or other relevant sanctions authority.

“Selling Activities” has the meaning given to it in Term 2.a.

“Selling Restrictions” means, in relation to a Relevant Jurisdiction, all Applicable Laws that relate to restrictions on Selling Activities to Investors in that Relevant Jurisdiction (including where the Selling Activities are done on a cross-border basis into a Relevant Jurisdiction) including, without limitation, using appropriate disclaimers.

“Simplified Prospectus” shall mean, with respect to a Product, a simplified prospectus (preliminary simplified prospectus and final simplified prospectus) within the meaning of article 5 of the Swiss Act on Collective Investment Schemes for such Product.

“Sub-Distributor” shall mean any person appointed as a sub-distributor in accordance with Term 2.b.

“Terms” shall mean these terms issued by Citi and as amended and supplemented from time to time (and **“Term”** shall be construed accordingly).

“Termsheet” shall mean, with respect to a Product, the indicative terms of such Product.

“UK Retail Investors” means Retail Investors who are located (or deemed to be located by the FCA) in the United Kingdom.

“Underlying” shall mean commodities, credit, equities, foreign exchange, funds, indices, rates or other underlying assets or any combination of them.

For the avoidance of doubt, where notice or consent is required in writing under these Terms, notice or consent delivered or obtained via email will be deemed to satisfy this requirement.

2. Appointment of the Distributor.

a. Citi appoints the Distributor, in respect of each Product, to:

- (i) market such Product to potential Investors in each Relevant Jurisdiction; and/or
- (ii) distribute such Product to Investors in each Relevant Jurisdiction, and to undertake such post-sale activities as are required by Applicable Laws and these Terms in relation to any such Product that has been distributed,

(such activities, the “**Selling Activities**”).

- b. The Distributor may appoint as Sub-Distributors to undertake Selling Activities in relation to a Product either (i) one or more of the Distributor’s Affiliates; or (ii) with the prior written agreement of Citi, persons who are not the Distributor’s Affiliates, provided that any such appointment in either case shall be made on the following basis:
- (i) the Distributor represents and warrants that it has used reasonable skill, care, and diligence in the selection and appointment of any Sub-Distributor so as to ensure that such Sub-Distributor has and maintains at all relevant times the expertise, competence, systems, personnel, processes, procedures, authorizations and licences appropriate to the discharge of the responsibilities concerned (including satisfying all Applicable Laws) in a manner consistent with these Terms;
 - (ii) the Distributor shall be responsible for all acts and omissions of any Sub-Distributor in connection with the Selling Activities as if such acts and omissions were the acts and omissions of the Distributor;
 - (iii) neither Citi nor any Issuer shall owe any duty to, or be liable to, any Sub-Distributor; and
 - (iv) (A) the Distributor shall procure that any Sub-Distributor (through whom it distributes such Products) will comply with the obligations of the Distributor under these Terms by entering into a written agreement with the Distributor reflecting the relevant provisions of these Terms; (B) the Distributor shall ensure that any Sub-Distributor has and continues to provide equivalent representations, warranties and undertakings to those that the Distributor has made in Term 5 below; (C) the Distributor shall procure the provision by any Sub-Distributor of any information and/or documentation which is reasonably required by Citi, including but not limited to the information set out at section B(6) of Annex I of these Terms; and (D) the Distributor shall ensure that such Sub-Distributor shall not appoint any further sub-distributor or any other entity to conduct the Selling Activities other than where Citi has agreed with the Distributor that it may do so.
- c. The Distributor and any Sub-Distributor shall not carry out any Selling Activity in relation to a Product at any time other than during the Offer Period specified in the Prospectus, Termsheet or Simplified Prospectus, as applicable, in respect of such Product.
- d. The Distributor and any Sub-Distributor shall carry out Selling Activities in respect of a Product in each Relevant Jurisdiction (and in no other jurisdiction or territory) in respect of such Product in accordance with:
- (i) all Applicable Laws (including but not limited to any applicable requirements relating to money laundering deterrence, appropriateness, suitability, data protection, licences, registrations, the provision of product information, the handling of customer complaints and consumer protection including but not limited to fiduciary duties, information-related duties (e.g. regarding the disclosure of distribution compensation and conflicts of interests) and duties of loyalty and care of securities dealers (i.e. regarding best possible execution of the securities trades)) and all applicable Selling Restrictions;

- (ii) all contractual obligations owed to the Investors, such as fiduciary duties, information-related duties (e.g. regarding the disclosure of distribution compensation and conflicts of interests) and duties of loyalty and care;
- (iii) these Terms and the terms and conditions of the relevant Prospectus in respect of such Product (for the avoidance of doubt, including the applicable conditions attached to the consent to the use of the relevant Prospectus in relation to such Product) or each relevant Termsheet or Simplified Prospectus, as applicable, in respect of such Product); and
- (iv) any additional conditions and requirements which Citi may prescribe in relation to such Product.

The Distributor shall notify Citi immediately of any circumstances indicating that any Selling Activities may be occurring, or have occurred, in breach of sub-paragraphs (i), (ii), (iii) and (iv) of this Term 2.d.

- e. The Distributor will bear and pay all of the costs and expenses relating to any Selling Activities incurred by it or on its behalf.
- f. The relationship between the Distributor and Citi is principal to principal. Neither the Distributor nor any Sub-Distributor shall be considered for any purpose, statutory or otherwise, to be an employee or agent of any Investor, any potential Investor, Citi, the Issuer or any Affiliate of either Citi or the Issuer. Neither these Terms, nor the performance of any parties obligations in accordance with these Terms, shall be considered to constitute the creation of a partnership, association or joint venture between (on the one hand) the Distributor and any Sub-Distributor and (on the other hand) Citi, the Issuer or any Affiliate of either Citi or the Issuer.
- g. Neither Citi nor any Issuer shall have any responsibility for any Selling Activities undertaken by the Distributor and any Sub-Distributor in accordance with these Terms. The Distributor agrees that compliance with Applicable Laws in connection with the Selling Activities in any jurisdiction is at all times its sole responsibility.
- h. The requirements of these Terms shall apply irrespective of the method of distribution, including via a platform or any other distribution channel.

3. Requirements of the Distributor.

- a. The Distributor agrees that it and any Sub-Distributor will observe the terms and conditions relating to the Selling Activities as set out in the Prospectus or imposed by Applicable Laws and, in particular, but without limitation, the Distributor shall not promote any Product or procure or seek to procure investment in a Product from any Person which is ineligible by reason of: (i) being subject to a Selling Restriction; or (ii) their nationality or otherwise.
- b. The Distributor acknowledges and agrees that it and any Sub-Distributor, will comply with the provisions applicable to it in Annex I (Product Governance Responsibilities Annex) to these Terms, on an ongoing basis.
- c. The Distributor acknowledges and agrees that it and any Sub-Distributor, will comply with the provisions applicable to it in Annex II (PRIIPs KID Regulation) to these Terms, on an ongoing basis.

- d. The Distributor agrees that it and any Sub-Distributor will not contact any person or entity in connection with a potential investment in a Product who is not located in a Relevant Jurisdiction.
- e. The Distributor agrees to notify Citi as soon as possible in the event that any Selling Activities are conducted in breach of any of clauses 3.a to d.
- f. The parties acknowledge and agree that the Distributor (and not Citi) is responsible for ensuring compliance with all Applicable Laws and regulations that relate to the prevention of money laundering and terrorist financing. In particular, the Distributor agrees that it and any Sub-Distributor will obtain and record evidence of the identity of all Investors in accordance with all relevant anti-money laundering regulations in each jurisdiction in which the Selling Activities are undertaken and, if applicable, the jurisdiction of the Issuer; it shall retain and store such records and/or evidence in the manner, and for such periods, as are required by Applicable Laws. The Distributor agrees and consents to Citi relying on such anti-money laundering checks. Unless prohibited by local laws or regulations, it will make such records and evidence available to Citi when requested on reasonable notice.
- g. The Distributor agrees that it and any Sub-Distributor will provide such customer support and advice to any potential Investor seeking to invest in any Product as is customary in, and such customer protections as may be required under, the applicable laws, regulations, supervisory guidelines and regulatory regimes of all jurisdictions in which any Selling Activities are undertaken. The Distributor agrees that it and any Sub-Distributor will, in carrying out any Selling Activities, (i) advise (in writing) to potential Investors in any relevant Product, of all the fees (including any applicable early redemption fee), commissions and inducements associated with such Product, including without limitation, any kind of retrocessions and kickbacks (the “**Distribution Fees**”) and (ii) comply with all applicable disclosure requirements and other applicable statutory and contractual obligations owed by it to the Investors or otherwise in respect of Distribution Fees that have been or will be paid to the Distributor.
- h. Unless otherwise agreed in writing with Citi, the Distributor agrees and undertakes not to use, or to permit the use of, any Marketing Materials in connection with any Selling Activities other than those provided to it by, or those approved in writing by, Citi for use in connection with such Selling Activities (the “**Approved Marketing Materials**”). In particular, Citi may specify that certain Marketing Materials are intended solely for use by the Distributor and any Sub-Distributor and not for disclosure to potential Investors. In such case, the Distributor and any Sub-Distributor shall not make such Marketing Materials available to any potential Investors. The Distributor agrees:
 - (i) to advise Citi in writing of the Marketing Materials it and any Sub-Distributor intend to make available to potential Investors;
 - (ii) to provide Citi with such Marketing Materials as set out in 3(h)(i) above, in the English language, for review and approval by Citi;
 - (iii) to be responsible and liable for all translations of Marketing Materials;
 - (iv) to be responsible for ensuring that it and any Sub-Distributor are using the most up to date Marketing Materials as provided to or approved by Citi at all times; and

- (v) where it takes on the role of manufacturer in accordance with Term 5.b(ix), to ensure that the Marketing Materials (regardless of who produces or provides the content for inclusion in such materials) are in a form which is suitable for target investors and in compliance with all Applicable Laws.
- i. The Distributor agrees that it and any Sub-Distributor will advise potential Investors of all costs and charges associated with any Product in accordance with the applicable disclosure rules set out in MiFID 2.
- j. The Distributor agrees that it and any Sub-Distributor will make available to potential Investors, promptly upon their request and in any event prior to their commitment to purchase a Product, copies of the relevant Prospectus or Simplified Prospectus (if any).
- k. On behalf of the relevant Issuer (where the Issuer is Citigroup Inc. or an affiliate) Citi consents to the use of the relevant Prospectus for each Product which it sells to the Distributor and for any Sub-Distributor duly appointed by the Distributor on the condition that the Distributor and any Sub-Distributor has satisfied and continues to satisfy throughout the Offer Period for any Product, any and all conditions attached to the consent as specified in the relevant Prospectus. Citi reserves the right to revoke the consent set out in this Term 3.k at any time by written notice to the Distributor. Upon receipt of such notice, the Distributor and any Sub-Distributor appointed by such Distributor shall with immediate effect cease the marketing promotion, offering or sale of the relevant Products and use of the related Prospectus.
- l. Upon receipt of a Cancelled Offer Notice, the Distributor and any Sub-Distributor will immediately cease Selling Activities in relation to the relevant Product(s) which are the subject of such Cancelled Offer until further notified by Citi and take such further steps in relation to such Cancelled Offer as Citi may reasonably request.
- m. The Distributor will monitor the Selling Activities (undertaken by it or by any Sub-Distributor) of the Products and shall collect and receive such management information as is necessary for it to comply with applicable legal and regulatory obligations and these Terms. The Distributor will produce to Citi promptly on request such management information, records, books, notices and other documents and information as Citi may reasonably require in connection with the Selling Activities.
- n. If a Product is designated in the relevant Termsheet, Simplified Prospectus or Prospectus (as applicable) as being offered on a private placement / non-public basis to qualified investors as defined in article 10 of the Swiss Act on Collective Investment Schemes in Switzerland, the Distributor agrees and undertakes not to take, and shall procure that any Sub-Distributor through whom it distributes such Product shall not take, any steps that (i) would amount in any way, directly or indirectly, to a distribution of the Product in or from Switzerland to any person other than such a qualified investor or (ii) would require the Issuer, Citi or the Distributor to obtain any consent, license or approval or to prepare a Simplified Prospectus or any other offering material or (iii) require either of the Issuer or Citi to assume any additional liability or to take any action with respect to the Product.
- o. The Distributor will immediately inform Citi if, in its reasonable opinion, any legal, regulatory or tax development may adversely affect the Selling Activities in any Relevant Jurisdiction.
- p. The Distributor will exercise all due skill, care and diligence expected of a professional distributor holding itself out as competent to provide the services to be performed by it under these Terms.

- q. Other than as expressly set out under Applicable Laws, the Distributor agrees that Citi shall not have any responsibility or liability in respect of the Distributor's conduct of the Selling Activities and/or the marketing of Products to Investors or prospective Investors (which includes any sub distribution involving any Sub-Distributor).
- r. The Distributor and any Sub-Distributor will not use any trademark, tradename, logo or design of Citi or any of its Affiliates or of the Issuer or any of its Affiliates on any Marketing Materials or other materials in physical or electronic format without the prior written consent of Citi.

4. Requirements of Citi

- a. Citi shall:
 - (i) comply with the provisions applicable to it in Annex I (Product Governance Responsibilities Annex) on an on-going basis;
 - (ii) provide the Distributor with (or procure the provision to the Distributor of) such materials, information or training relating to or in connection with each Product which it considers reasonably necessary for the Distributor to receive with a view to the proper discharge of the Distributor's duties and functions hereunder; and
 - (iii) provide, or otherwise make available to the Distributor, all relevant Marketing Materials produced by Citi, to enable the Distributor to communicate the key features, risks and costs associated with each Product to Investors.

5. Representations, warranties, undertakings and acknowledgements.

- a. Each of Citi and the Distributor represents and warrants to the other as follows:
 - (i) it is duly incorporated, organized, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation and (if relevant under such laws) in good standing;
 - (ii) it has the power and capacity to enter into and perform its obligations under these Terms, and it has taken all necessary action to authorize the entry into and performance of its obligations under these Terms;
 - (iii) these Terms constitute its legal, valid and binding obligations enforceable against it in accordance with their terms, subject to applicable law;
 - (iv) the entry into and performance of its obligations under these Terms does not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it, or any of its assets, or any contractual restriction binding on or affecting it or any of its assets;
 - (v) it has maintained, and for the duration of the Distributor's appointment in accordance with these Terms it will maintain, in full force and effect all licences, approvals, authorizations and consents (each, an "**Authorization**") necessary to perform its obligations in accordance with these Terms and the services contemplated by these Terms in each Relevant Jurisdiction; each of Citi and the Distributor shall notify the other immediately if it ceases to hold any such necessary Authorization, if any such Authorization is materially altered or suspended or if any limitation or restriction is imposed on any such

Authorization, which would, in each case, be relevant to the performance of its obligations in accordance with these Terms; and

- (vi) it is, and will continue to be, appropriately regulated in any jurisdiction where it is organized or incorporated, and/or carries on business.

b. The Distributor represents and warrants to Citi as follows:

- (i) there are no regulatory or legal proceedings affecting the Distributor and/or its Affiliates or agents that are pending or threatened or other circumstances which may adversely affect the ability of the Distributor to perform its obligations in accordance with these Terms;
- (ii) it and any Sub-Distributor complies with, and will continue to comply with, at all times, all Applicable Laws relevant to conducting Selling Activities to Investors in any Relevant Jurisdiction;
- (iii) it and any Sub-Distributor is experienced in distributing structured products such as each Product and understands the risks inherent in them and undertakes that it and any Sub-Distributor will obtain and review the Prospectus and Marketing Materials relating to each Product to ensure that they understand the Product, its characteristics and the Generic Target Market and Specific Target Market (as defined in Annex I) prior to undertaking any Selling Activities in relation to the relevant Product and will comply with all applicable Selling Restrictions;
- (iv) it and any Sub-Distributor will, in respect of each Product, carry out its own due diligence and independent investigation in accordance with all Applicable Laws in relation to the suitability and appropriateness of each Product and the Underlying for potential Investors and Investors and will ensure and document that: (A) the Investor or potential Investor understands the terms and conditions and risks associated with an investment in the Product; and (B) the Product is suitable and appropriate for the Investor or potential Investor. The Distributor will not rely upon any due diligence or investigations that may have been carried out by Citi or the Issuer or their respective Affiliates;
- (v) none of the Distributor, any Sub-Distributor, any Investor, any potential Investor or any of their respective subsidiaries, nor any director or officer of the Distributor, any Sub-Distributor or any of their respective subsidiaries, nor, to the knowledge of the Distributor or any of its subsidiaries, any employee or agent of the Distributor, any Sub-Distributor or any of their respective subsidiaries is a Person that is, or is owned or controlled by a Person that is (A) the subject of any Sanctions, or (B) located, organized or resident in a country or territory that is the subject of Sanctions;
- (vi) none of the Distributor, any Sub-Distributor or any of their respective subsidiaries nor, to the knowledge of the Distributor or any of its subsidiaries, any director, officer, agent, employee or other Person acting on behalf of the Distributor, any Sub-Distributor or any of their respective subsidiaries has taken any action, directly or indirectly, that would result in a violation by such Person of applicable anti-corruption law, including the U.K. Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder; and, in connection with any Selling Activities undertaken in relation to a Product, the Distributor, any Sub-Distributor and their respective subsidiaries will not violate such anti-corruption law;

- (vii) the Distributor, on reasonable request from Citi, will provide to Citi as soon as reasonably practicable, the information set out in clauses 6 and 7;
- (viii) notwithstanding clause 7, the Distributor shall undertake such post-sale activities as are required by Applicable Laws and these Terms in relation to any Product for which it has conducted Selling Activities;
- (ix) the Distributor will ensure its remuneration policies for all employees carrying out functions under these Terms comply with all Applicable Laws and do not conflict with the interests of Investors;
- (x) notwithstanding its description as the Distributor under these Terms, where a Product has been created to meet any criterion or design specified by it, acting either for itself or on behalf of any Sub-Distributor or Investor, the Distributor will be deemed to be both the manufacturer and the Distributor of the Product and it shall take full responsibility that such Product has been structured in compliance with all Applicable Laws, including but not limited to;
 - (1) the requirements of section A of Annex I that would otherwise have applied to Citi;
 - (2) the requirements in section C of Annex I; and
 - (3) producing and updating appropriate Marketing Materials for the Product in compliance with all Applicable Laws.
- (xi) it and any Sub-Distributor will (A) assess and confirm that each Product and its price is suitable and appropriate for each relevant potential Investor and Investor in accordance with all Applicable Laws; and (B) ensure that each Investor understands and accepts the terms and conditions and risks relating to an investment in the Product(s) being purchased by them;
- (xii) neither Citi nor the Issuer shall have any responsibility for the Selling Activities of the Distributor or any Sub-Distributor undertaken pursuant to this Terms;
- (xiii) neither the Distributor nor any Sub-Distributor has authority to, or will make, any representation on behalf of, or about, Citi, the Issuer, their respective Affiliates or any Product other than as contained in, or as is consistent in all material respects with, the relevant Prospectus or Approved Marketing Materials;
- (xiv) neither the Distributor nor any Sub-Distributor will (A) take any action which could have the effect of making an Investor a client of Citi or of the Issuer; or (B) make any communication to an Investor which could give him the impression that he is or will become a client of Citi or of the Issuer. Further, the Distributor and any Sub-Distributor will ensure that any Investor to whom it sells a Product understands that neither Citi nor the Issuer has provided or will be deemed to have provided any legal, regulatory, tax or accounting advice, or accepts any responsibility for the suitability of such Product, or for the performance of such Product;
- (xv) any Sub-Distributor has maintained, and for the duration of its appointment as a Sub-Distributor will maintain, in full force and effect, all licences, approvals, authorizations and consents (each, a “**Sub-Distributor Authorization**”) necessary to perform its obligations as a Sub-Distributor in accordance with these Terms and the services contemplated by these Terms; further, the

Distributor shall notify Citi immediately if (A) any Sub-Distributor ceases to hold any necessary Sub-Distributor Authorization; (B) any Sub-Distributor Authorization held by any Sub-Distributor is materially altered or suspended; or (C) any limitation or restriction is imposed on any Sub-Distributor Authorization held by any Sub-Distributor, which would, in each case, be relevant to the performance by such Sub-Distributor of its obligations in accordance with these Terms;

- (xvi) it and any Sub-Distributor agrees to circulate relevant information provided by Citi and/or the Issuer promptly to those Investors who have invested in a Product, if such circulation is reasonably requested by Citi and/or the Issuer. This may include a request for feedback from Citi to Investors; and
 - (xvii) it and any Sub-Distributor will ensure that each potential Investor understands any applicable restrictions on the sale and transfer of the relevant Product(s).
- c. Each of the representations, warranties, undertakings and acknowledgements made by the Distributor under these Terms is deemed to be made on each date that the Distributor or any Sub-Distributor conducts Selling Activities.

6. Information and records

- a. The Distributor and any Sub-Distributor shall provide all information to Investors as is required by Applicable Laws.
- b. The Distributor and any Sub-Distributor shall keep all records required by all Applicable Laws and make such records available (or copies of such records) to Citi and any Applicable Authority upon request, including (without limitation) and where applicable:
 - (i) Know-Your-Client and other client on-boarding documentation;
 - (ii) client risk assessment questionnaires;
 - (iii) suitability assessments;
 - (iv) copies of Marketing Materials and any other documentation provided to, or by, Investors; and
 - (v) recordings of all telephone calls where advice was provided in relation to a Product.

7. Continuing Obligations

- a. The Distributor shall send to Citi each quarter any information requested by Citi, including (without limitation), the information set out at section B(6) of Annex I to these Terms.
- b. The Distributor shall maintain internal systems to adequately collect, collate and maintain information relating to its distribution of Products including, at a minimum, the information set out in clause 7.a above.

8. Indemnity.

- a. The Distributor will indemnify and keep indemnified and hold harmless Citi, the Issuer and each of their respective directors, officers, employees, agents and Affiliates (each “**Citi Indemnified Party**”) from and against any Loss which may be made or brought

against or suffered or incurred by a Citi Indemnified Party arising directly or indirectly out of, in connection with or based on any actual or alleged:

- (i) fraud, negligence, wilful default, breach of duty (including statutory duty) or bad faith of the Distributor and/or its agents and/or Affiliates and/or any Sub-Distributor in the performance of the Distributor's duties or any Sub-Distributor's duties in respect of any Selling Activities or the exercise of the Distributor's powers, authorities and discretions under these Terms; or
- (ii) breach by the Distributor or any Sub-Distributor of any of its obligations, agreements or representations, warranties, undertakings or acknowledgements in, for the purposes of, or further to, these Terms; or
- (iii) misstatement, omission, inaccuracy or misrepresentation by the Distributor or any Sub-Distributor under, for the purposes of, or further to, these Terms (including, without limitation, any misstatement, omission, inaccuracy or misrepresentation made (A) to Citi in connection with Citi and such Distributor or Sub-Distributor entering into or operating under these Terms; or (B) to an Investor or a potential Investor).

The Distributor agrees to pay to Citi on demand an amount equal to any such Loss under this Term 8.a and shall make such payment as soon as the Citi Indemnified Party shall become liable therefor. Citi shall have no duty or obligation, whether as fiduciary or otherwise, for any other Citi Indemnified Party to recover any such payment or to account to any other person for any amounts paid to it under this Term 8.a.

- b. On the condition that the Distributor wholly subrogates and assigns to Citi the Distributor's defence to any relevant claim brought against the Distributor, Citi will indemnify and keep indemnified and hold harmless the Distributor from and against any Loss which may be made or brought against or suffered or incurred by the Distributor arising directly or indirectly out of, in connection with, or based on any actual or alleged:

- (i) untrue statement of a material fact contained in a Prospectus; or
- (ii) omission of a material fact required to be stated in a Prospectus or necessary to be stated therein in order to make the statements therein not misleading,

provided that the indemnity contained in this Term 8.b will not inure to the benefit of the Distributor if (i) any representation or warranty made by it under these Terms is untrue in any respect, or (ii) it fails to comply with any of its obligations under these Terms in any respect. For the avoidance of doubt, the indemnity contained in this Term 8.b shall only inure to the benefit of the Distributor and not to any Sub-Distributor.

Citi agrees to pay to the Distributor on demand an amount equal to any such Loss under this Term 8.b, and shall make such payment as soon as the Distributor shall become liable therefor.

- c. Neither the party providing an indemnity under this Term 8 nor the party taking the benefit of such indemnity (the "**Indemnified Party**") shall, without prior consultation with the other, settle or compromise, or consent to the entry of judgment with respect to, any pending or threatened claim (irrespective of whether the Indemnified Party is an actual or potential defendant in, or target of, such claim), unless such settlement, compromise or consent includes an unconditional release of the Indemnified Party from all liability arising out of the matters which are the subject of such claim. For the

avoidance of doubt, neither party shall object to any such settlement, compromise or consent by the other party unless the grounds for taking such action are unreasonable.

9. Termination.

- a. Each party will notify the other party immediately:
- (i) of the occurrence of any Event of Default (as defined below) or of any Distributor Event of Default (as defined below) or of any event which would, but for the passing of a period of time or the giving of notice, be an Event of Default or a Distributor Event of Default;
 - (ii) of any breach by the notifying party (including, in the case of the Distributor, in relation to any Sub-Distributor) of any representation, warranty, undertaking, acknowledgement or obligation under these Terms;
 - (iii) of any actual or anticipated investigation of the notifying party (including, in the case of the Distributor, of any Sub-Distributor) by any relevant regulatory authority which is likely to adversely affect the ability of the notifying party to continue to give its representations, warranties, undertakings and acknowledgements or to perform its obligations under these Terms; and
 - (iv) if it becomes aware that it (or, in the case of the Distributor, any Sub-Distributor) is, may be, or is likely to be, in violation of any applicable law or regulation or the provisions of these Terms; further, such party shall immediately take all appropriate steps to remedy such potential violation and comply with all such applicable laws and regulations and these Terms in all respects.
- b. These Terms may be terminated immediately by either party upon giving notice in writing to the other party upon the occurrence of any of the following events (each an “**Event of Default**”):
- (i) the other party or a Sub-Distributor commits a material breach of these Terms and (if such breach is capable of remedy) the other party fails to make good such breach or, in the case of a material breach by a Sub-Distributor, the Distributor fails to procure that such breach is made good, within 7 days of receipt of notice requiring it to do so;
 - (ii) any step is taken with a view to the winding up, bankruptcy or administration of the other party or a Sub-Distributor;
 - (iii) the other party or a Sub-Distributor is unable to pay its debts as they fall due; and/or
 - (iv) any distress, attachment, execution or other legal process is levied or enforced against any assets of the other party or a Sub-Distributor and is not discharged or stayed within 30 days.
- c. These Terms may be terminated immediately by Citi upon giving notice in writing to the Distributor upon the occurrence of any of the following events (each, a “**Distributor Event of Default**”):
- (i) a licence, approval, authorization or consent held by the Distributor or any Sub-Distributor, which is required for the performance of its obligations under, or

further to, these Terms and which has been granted or given by any relevant regulatory authority, is terminated or suspended;

- (ii) any breach of any law, regulation or regulatory policy applicable to the Distributor or any Sub-Distributor;
 - (iii) any adverse finding is made in respect of, or official sanction imposed on, the Distributor or any Sub-Distributor by any relevant regulatory authority which would be likely to affect adversely the ability of it to perform its obligations under, or further to, these Terms;
 - (iv) a relevant regulatory or other authority has held, or is reasonably likely to hold, the Distributor or any Sub-Distributor to be in breach of any regulatory or other obligation or duty in relation to these Terms;
 - (v) a public investigation is made into, or civil or criminal charges are brought against, the Distributor (or any of its Affiliates), or any Sub-Distributor (or any of its Affiliates), or any of the directors of the Distributor (or any of its Affiliates), or any of the directors of any Sub-Distributor (or any of its Affiliates); and/or
 - (vi) any transfer of ownership or change of control of more than 50% of the voting rights in the Distributor or any Sub-Distributor.
- d. These Terms may otherwise be terminated by either party on giving not less than 21 days' prior written notice to the other party.
- e. Termination of these Terms shall be without prejudice to the accrued rights and obligations of the parties and Citi shall determine, in its sole and absolute discretion, whether or not to continue with the completion or settlement of any transaction which has then already been initiated in accordance with these Terms.
- f. Term 8 shall survive the termination of these Terms.

10. Transactions with other persons.

- a. The Distributor acknowledges and agrees that it is not appointed as Citi's exclusive distributor and that Citi may from time to time appoint other intermediaries to engage in Selling Activities whether as distributor, agent or in any other capacity.
- b. The services provided by the Distributor under these Terms are not exclusive and the Distributor shall, subject to these Terms, be free (i) to render similar services to other persons so long as the rendering of its services under these Terms are not impaired thereby; and (ii) to retain, for its own use and benefit, fees or other moneys payable thereby. The Distributor shall not be deemed to be affected with notice of, or to be under any duty to disclose to the Issuers or to Citi, any fact or matter which may come to the notice of the Distributor in the course of rendering similar services to others, or in the course of its business, in any other capacity, or in any manner whatsoever otherwise than in the course of carrying out its obligations or duties under these Terms.
- c. The relationship between the parties is as described in these Terms and shall not give rise to any fiduciary or equitable obligations which would prevent or hinder the Distributor from performing its obligations or duties or exercising its rights and powers as contemplated by these Terms.

- d. The Distributor and any Sub-Distributor may, in the course of its business, have potential conflicts of interests with Citi and/or an Issuer. The Distributor will have regard (and will procure that any Sub-Distributor will have regard) to its obligations or duties to Citi and the relevant Issuer and other persons when undertaking any transactions where conflicts or potential conflicts of interest may arise. In the event that such conflicts do arise, the Distributor undertakes (and will procure that any Sub-Distributor undertakes) to use reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its representations, warranties, undertakings, acknowledgements, obligations and duties herein) and to ensure that the interests of Citi and the relevant Issuer are not unfairly prejudiced.

11. Remuneration.

- a. The Distributor represents and warrants that;
 - (i) any Remuneration permitted by Applicable Laws to be paid or received by it or any Sub-Distributor is done so on the basis that all such disclosures as are required by Applicable Laws are made to its clients or those of the Sub-Distributor;
 - (ii) any Remuneration accepted by the Distributor from any third party or agreed to be paid by the Distributor to any third party in respect of a Product complies with all Applicable Laws;
 - (iii) the Remuneration is proportionate to the costs incurred by the Distributor in providing the services contemplated by these Terms;
 - (iv) the Remuneration does not conflict with any duty the Distributor has to act honestly, fairly and professionally and in accordance with the best interests of an Investor;
 - (v) the Remuneration is designed to enhance the quality of the service provided by the Distributor to the Investor including that the Remuneration;
 - (1) is justified by the provision of a higher level of service to the Investor and is proportional to the level of service received;
 - (2) does not directly benefit the Distributor or Sub-Distributor, their shareholders or employees without tangible benefit to the Investor; and
 - (3) the provision of the service to the Investor is not biased or distorted as a result of the Remuneration; and
 - (vi) the fact that Remuneration has been or will be paid to the Distributor and the amount of such payment shall be disclosed to the Investor in writing. The Distributor undertakes to maintain a record as to how such Remuneration complies with Applicable Laws and the record will be made available to Citi on request.
- b. Where an FCA Distributor (or FCA Sub-Distributor) provides investment advice to UK Retail Investors in respect of any Product which is a Retail Investment Product, the FCA Distributor undertakes (on behalf of itself and each FCA Sub-Distributor) not to request any Remuneration from and to otherwise reject any such payment offered to it by Citi or any Affiliate (or the Distributor, as applicable).

- c. The Distributor acknowledges and agrees that Citi will not be required to sell the Products to the Distributor at a discount to the issue price or pay any distribution or other fees to the Distributor where Applicable Laws or any other legal or regulatory obligations applicable to Citi or the Distributor (including under MiFID 2) would prohibit the Distributor from receiving such fees or acquiring the Product at a discount to the issue price. If the Distributor is subject to MiFID 2 and provides portfolio management services or independent investment advice and chooses to accept or retain fees, commissions or any monetary benefits paid by any third party, it hereby undertakes, in accordance with Applicable Laws, to transfer and allocate such fees, commissions or any monetary benefit to each individual client as soon as reasonably possible after receipt.

12. Notices.

- a. Any notice or notification in any form to be given to Citi or to the Distributor under these Terms may (i) be delivered in person or by post to such address; or (ii) be given by telephone to such number; or (iii) be given by electronic messaging (including electronic mail "email"), as may be notified from time to time by the addressee to the other party.
- b. Any such notice or notification shall take effect: in the case of a letter or email, at the time of delivery; and, in the case of telephone, when made.
- c. Any notice or notification made by telephone shall be confirmed by letter or email but failure to send or receive the confirmation shall not invalidate the original notice or notification.

13. Miscellaneous.

- a. These Terms constitute a contract having legal effect which the Distributor accepts by commencing (or continuing to undertake) Selling Activities in respect of a Product.
- b. No failure on the part of any party to exercise, and no delay on its part in exercising, any right or remedy arising under these Terms will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided under these Terms are cumulative and not exclusive of any rights or remedies provided by law.
- c. The illegality, invalidity or unenforceability of any provision of Term under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other Term.
- d. Each party may with the prior written consent of the other party transfer all its rights and obligations under these Terms to any other company, person, firm or institution acceptable to the other party and the transferee shall, upon filing with the other party an instrument in writing, assume the obligations of the transferor under these Terms and agree to be bound by these Terms, become the successor to the transferor under these Terms and thereafter such successor may exercise all of the powers and enjoy all of the rights and be subject to all of the representations, warranties, undertakings, acknowledgements, duties and obligations of the transferor as fully as though originally named as a party to these Terms.
- e. A person (other than a Citi Indemnified Party) who is not a party to these Terms has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of these Terms.

- f. Telephone conversations with the Distributor may be recorded or monitored by Citi.
 - g. Unless there is prior written agreement to the contrary, neither of the parties shall at any time disclose to any person any confidential information relating to the dealings under these Terms. This restriction shall not apply to any disclosure that is required under Applicable Laws that is expressly compelled by a court or other regulatory or administrative body with competent jurisdiction.
 - h. These Terms constitute the entire agreement between the parties relating to the subject of these Terms and supersedes any previous understanding, commitment, contract or representation (unless such representation was made fraudulently) relating to the subject of these Terms.
 - i. These Terms shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. These Terms shall not be modified except in writing. These Terms shall not be assigned by any party without the consent of the other party.
 - j. Each party shall pay the costs and expenses incurred by it in connection with these Terms.
 - k. For the avoidance of doubt, all business transactions between Citi and the Distributor pursuant to these Terms (as amended from time to time) shall be entered into pursuant to Citi's "**Terms of Business for Professional Clients and Eligible Counterparties**" (as may be amended and/or supplemented from time to time) ("**Citi's Terms of Business**"). In the event of any conflict or inconsistency between these Terms and Citi's Terms of Business, clause 1 of Citi's Terms of Business shall prevail.
14. Governing law and jurisdiction.
- a. These Terms (including any non-contractual duties and liabilities arising from conduct under or pursuant to these Terms) are governed by, and shall be construed in accordance with, English law.
 - b. In relation to any Proceedings, the Parties irrevocably submit to the exclusive jurisdiction of the English courts and waive any objection to Proceedings in such courts whether on the ground that the Proceedings have been brought in an inconvenient forum or otherwise.
 - c. If the Distributor does not have a permanent place of business in England and Wales, the Distributor hereby agrees to accept service of process in any location in which it transacts business or through delivery to any of its respective Affiliates with a place of business in England and Wales and the Distributor waives any defences or challenges to any such service of process.

Annex I

Product Governance Responsibilities Annex

Citi and the Distributor wish to set out their respective product governance roles and responsibilities where the Products are distributed by the Distributor to its own clients.

A. Citi undertakes to:

1. identify, at a sufficiently granular level, the potential target market of end investors for each Product by specifying the type(s) of client for whose needs, characteristics and objectives (including, if applicable, any sustainability related objectives), the Product could, based on Citi's theoretical knowledge of and past experience with the Product or similar financial instrument(s), be compatible (the "**Generic Target Market**"). The Generic Target Market will also include, where appropriate, information on any group(s) of clients for whose needs, characteristics and objectives a Product is not compatible;
2. provide the Distributor with such Generic Target Market assessment for each Product;
3. provide the Distributor with its opinion on the appropriate channels for distribution of each Product and, where appropriate, any other information which Citi considers relevant for the Distributor to understand the Product or that the Distributor might reasonably request. Citi will notify the Distributor should Citi be unable to provide such information (which may in turn result in Citi deciding not to distribute through a relevant channel);
4. perform scenario analysis of each Product (as appropriate) to assess how it might perform in a range of market environments and to assess the risks of poor outcomes for end clients and in which circumstances these outcomes may occur, and use this data to determine the information to be disclosed to the Distributor about each Product; and
5. review the identified Generic Target Market and the performance of each Product on a regular basis, taking into account events that could materially affect the potential risks of the relevant Product (including, if applicable, consideration if the Product remains consistent with any sustainability related objectives), and to take appropriate action where such an event is identified including notifying the Distributor of the event and its consequences on the relevant Product.

B. The Distributor undertakes to:

1. taking into account the Generic Target Market, identify a concrete target market for each Product (the **Specific Target Market**) and to ensure that the Product that the Distributor intends to offer or recommend is compatible with the needs, characteristics and objectives (including, if applicable, any sustainability related objectives), of such Specific Target Market. The Specific Target Market will also include, where appropriate, information on any group(s) of clients for whose needs, characteristics and objectives the Product is not compatible;
2. confirm that the Distributor's relevant staff possess the necessary expertise to understand: (i) the characteristics and risks of each of the Products that the Distributor intends to distribute; (ii) the investment services the Distributor provides; and (iii) the needs, characteristics and objectives of the Specific Target Market;
3. on an on-going basis and throughout the life of each Product raise with Citi any issue of material discrepancy or incompatibility between the Specific Target Market and the Generic Target Market;
4. ensure that each Product is promoted, marketed and/or distributed to and through channels that are compatible with the Specific Target Market;

5. review each of the Products and related services that it offers, on a regular basis, taking into account any event that could materially affect the Specific Target Market in order to make sure that each Product remains consistent with the needs, characteristics and objectives of the Specific Target Market; and
6. provide Citi, and procure that any Sub-Distributor provides Citi, with such information as reasonably requested by Citi from time to time, including:
 - a. information on sales of each Product including (i) any sales made outside the Specific Target Market, (ii) the number and type of Investors to whom the Distributor has distributed the Products (broken down to show each Product type and categories of sophistication) and the geographical location of such Investors;
 - b. information on the results of the above mentioned periodic reviews conducted by the Distributor;
 - c. information on early redemption levels;
 - d. summary information of complaints received in relation to each Product (including details of the complaints raised, action taken by the Distributor, the number of complaints that remain open and the number of complaints that have been referred to any domestic complaints ombudsman service or other dispute resolution service);
 - e. where a complaint relates to a Product or Citi, and subject to any confidentiality treatment which the Distributor might need to afford to the identity of the complainant, full details of the complaint received; and
 - f. any other information the Distributor deems necessary (or is reasonably requested by Citi) in order for the Distributor or Citi to be able to review the Products, including responses to any questions suggested by Citi for the Distributor to put to a sample of Investors for the purposes of obtaining the Investors' feedback.

C. Co-manufacturer scenarios

1. In circumstances where Citi and the Distributor agree to collaborate to create, develop, issue and/or design a Product, Citi will not be required to identify the Generic Target Market and instead a single target market assessment will be undertaken by the Distributor. Citi and the Distributor may however agree a different allocation of responsibilities between themselves on a case by case basis.
2. In the circumstances highlighted above:
 - a. Citi will not be required to comply with section (1), (2) and (3) of clause A or the requirements relating to "Generic Target Market" in section (5) of clause A; and
 - b. the Distributor will not be required to comply with (3) of clause B or with any provision of Clause B which refers to the Generic Target Market.
3. Where a co-manufacturing scenario exists responsibility for producing the KID under the PRIIPs KID Regulation should be allocated on a case by case basis. Such allocation shall be documented in writing.

Annex II

PRIIPs KID Regulation

The Distributor will ensure compliance with all obligations that attach to persons advising on, or selling, a PRIIP under the PRIIPs KID Regulation and Commission Delegated Regulation (EU) 2021/2268 , including:

1. In the case where Citi has agreed in writing with the Distributor that the PRIIP may be offered and sold to one or more Retail Investor:
 - a. provide the KID, as produced, published, reviewed and updated by Citi on an ongoing basis or in accordance with the allocation of responsibilities under Annex I(C) of these Terms, to each Retail Investor free of charge and in a medium compliant with the PRIIPs KID Regulation and all Applicable Laws in good time before the Retail Investor is bound by any contract or offer related to the PRIIP;
 - b. not offer or sell a PRIIP to any Retail Investor (or facilitate any secondary market sales of the PRIIP to a Retail Investor) beyond any date which Citi has specified that the PRIIP may no longer be made available to Retail Investors thereafter;
 - c. any marketing materials prepared by the Distributor or on the Distributor's behalf shall be prepared in accordance with the PRIIPs KID Regulation, including that the materials (i) shall not include any statement that contradicts any information in the KID or diminishes the significance of the KID and (ii) shall indicate that a KID is available and supply information on how and where to obtain it including the website on which the KID has been published; and
 - d. establish appropriate procedures and arrangements in accordance with Article 19 of the PRIIPs KID Regulations which ensure that any complaints in relation to the PRIIP or the KID which are received by the Distributor are communicated to Citi promptly (and in any event within 3 business days of receipt by the Distributor).
2. In each case, other than the circumstance of section (1) of this Annex, or as otherwise agreed with Citi, neither the Distributor nor any Sub-Distributor shall offer, advise on, or sell a PRIIP to a Retail Investor.
3. Citi shall have no liability towards the Distributor, any Sub-Distributor or any Retail Investor if the Distributor fails to provide a KID to any Retail Investor.
4. The Distributor shall (on an after-tax basis) indemnify and keep indemnified and hold harmless Citi and each of its respective directors, officers, employees and agents from and against any and all losses, claims, damages, liabilities, expenses (including legal and professional fees and expenses) or actions in respect thereof relating to or arising (directly or indirectly) from any actual breach by the Distributor or Sub-Distributor, of the PRIIPs KID Regulation in connection with the distribution of any Products