This document is prepared by Citibank to give you a general overview of Structured Products. The description of the products in this document is not comprehensive and is of a general description only. The risks, disclosures and other information herein set out are not exhaustive of the risks involved. You should consult your own legal, regulatory, tax, financial and/or accounting advisors to the extent you consider necessary. You must read the terms and conditions, brochures and/or all other marketing materials pertaining to the specific product prior to entering into any financial transaction.

Prior to entering into a transaction, you should understand the product and its associated risks in order to determine whether the product is suitable for you in light of your experience, objectives, financial position and other relevant circumstances. This document does not constitute nor deem to constitute an offer to sell any product, nor an offer to enter into any transaction.

Checklist

1. What is a Structured Product? ☐

Structured Product is a broad definition that typically encompasses Structured Deposits and Structured Notes:

A Structured Deposit is essentially a combination of a deposit and an investment product, where the return is dependent on the performance of some underlying financial instrument. Typical financial instruments linked to such deposits include market indices, equities, interest rates, fixed-income instruments, foreign exchange or a combination of these.

A Structured Note is an investment whose return is linked to the performance of one or more reference asset(s) or benchmark(s). Typical reference assets or benchmarks include market indices, equities, interest rates, fixed-income products, foreign exchange rates or any combination of these. It may be the interest amount and/or principal repayment, which are linked to the performance of the underlying instrument.

However, it is important to also know that Structured Products may be packaged as a fund (i.e. structured fund) or an insurance product (i.e. Investment-Linked Policy).

2. What are some key differences between Structured Deposits and Structured Notes? ☐

In Structured Deposits, the money invested resides within the balance sheet of the bank. Investors assume the credit risk of the bank.

Structured Notes are structured products in the form of a security (like a bond).

The money invested does not reside with the bank that is distributing the Structured Note but will instead:

- flow to the issuer of the Structured Note which in most often cases is another legal entity separate from the bank or even a special purpose vehicle; or
- in some cases, be invested in and collateralized on underlying assets (e.g. portfolio of bonds).

Investors assume the credit risk of the issuer, issuing vehicle and/or collateral of the Structured Note. In addition to the issuer, some Structured Notes may involve a separate legal entity that acts as a guarantor to the Structured Note.

3. Are Structured Deposits the same as traditional deposits?

No, Structured Deposits are not the same as traditional deposits (e.g. fixed deposits).

[Remark: With regards to applicability of the term "fixed deposit" or "timed deposit", GCG business unit to amend as necessary for your respective jurisdictions]

Structured Deposits contain derivatives, which is the component that provides you a variable return which could be zero) that is derived from the performance of an underlying financial instrument.

In addition, unlike traditional deposits, Structured Deposits are not covered by any deposit protection or deposit insurance scheme.

[Remark: With regards to applicability of deposit protection or deposit insurance, GCG business unit to amend as necessary for your respective jurisdictions]

4. How do Structured Products compare with a fixed deposit or a fixed coupon bond?

Structured Deposits / Notes have some important characteristics that distinguish them from fixed deposits or fixed coupon bonds.

In the case of fixed deposits or fixed coupon bonds, the returns and maturity periods are fixed. Structured Deposits / Notes on the other hand have variable returns, and in some cases, variable maturities as well.

Variable returns - Structured Deposits / Notes generally provide the possibility of higher returns compared to fixed deposits or fixed coupon bonds. However, you should balance this possibility of higher returns against the risk of variable returns. In some scenarios, you may get lower or no returns at all.

Variable maturities - Structured Deposits / Notes have maturity periods that vary from as short as 2 weeks to as long as 10 years. This means that you may not be able to use your money for other purposes before maturity. Some Structured Deposits / Notes include an agreement that enables the bank to redeem or "call" the deposit before the maturity date for reasons specified in the terms and conditions of your contract. Where a Structured Deposit / Note is callable, you can expect to receive, at a minimum, the full value of your principal (subject to credit risk). Depending on the circumstances, this early redemption feature may benefit you. For example, if you wish to use your money in other ways, you can get back your principal (and possibly, additional returns) as soon as redemption occurs. You may, however, be exposed to reinvestment risk. This is the risk of having to invest your money in a low interest rate environment when interest rates fall. It is also important to note that while a Structured Deposit / Note could have a "call" feature, the "call" may be subject to certain conditions being met or the discretion of the bank / issuer / arranger. Therefore, you should be willing / have the ability to hold your investment for the full tenure in a situation where the call does not happen.

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5. Will all Structured Products return the original investment amounts at maturity? ☐

Some Structured Deposits / Notes are designed to provide a variable return linked to the performance of underlying financial instrument(s) with repayment of original invested amounts if held to maturity. For these Structured Deposits / Notes, your original investment amount will be repaid in full only at maturity and provided the bank (for Structured Deposits) or the issuer / issuing vehicle / special purpose vehicle / collateral (for Structured Notes) remains solvent.
However, there are Structured Deposits / Notes that are designed to have both the variable return and the repayment of original invested amount linked to the performance of underlying financial instrument(s). For these Structured Deposits / Notes, your original investment amount will not be repaid at maturity if the underlying financial instrument(s) performs unfavorably and/or the bank (for Structured Deposits) or the issuer / issuing vehicle / special purpose vehicle / collateral (for Structured Notes) becomes insolvent.

Additionally, it is important to be aware of a couple of other typical features of Structured Deposits / Notes that do not repay your original investment amount at maturity:

- Knock-in feature – Where, in a situation where the underlying financial instrument hits a pre-determined threshold below its initial price, the repayment of the original invested amount will become exposed to and may not be repaid at maturity if the underlying financial instrument(s) performs unfavorably.

- Conversion or delivery features – Where, the repayment of the original invested amount may be in the form of securities, typically shares of a stock, purchased at a higher than prevailing price.

6. What are some of the benefits of investing in Structured Products? ☐

Structured Products provide you access and ability to capture potential enhanced returns and/or capital gains based on a market view of how an underlying financial instrument representing a traditional asset class is expected to perform.

Structured Products can be used to change the risk and return profile. For e.g.:
- They can be designed to have variable return linked to the performance of underlying financial instrument(s) - providing upside exposure, with repayment of original invested amounts if held to maturity – providing downside protection if performance is not as expected.
- They can be designed to provide potential enhanced returns / capital gains if the underlying financial instrument stays above initial price or within a range or out-performs.

Structured Products also provide diversification benefits by allowing you to access:
- Traditional asset classes which you may not be otherwise efficiently able to directly invest in.
- Tailored payoff formulas that change the risk vs return profile as opposed to only linear exposure provided by direct investments.
- A wide range of asset classes and trading or quantitative strategies thereby providing various portfolio and asset allocation benefits

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7. What factors may affect the valuation of a Structured Product throughout its life?

Fees and/or coupons paid are deducted from the valuation of a Structured Product.

In addition, valuation could be negatively affected by the following factors:
- If the credit worthiness of the issuer / guarantor / collateral etc deteriorates.
- If interest rates increase / rise.
- If the underlying financial instrument(s) performs unfavorably.
- If volatility of interest rates and/or the underlying financial instrument(s) changes.
- If the relationship between how the price of an underlying financial instrument moves relative to other underlying financial instruments (where there is more than one within the same Structured Product) changes.

Essentially, various factors that affect the probability, amount or timing of the payment of returns and/or original invested amounts will impact the valuation of a Structured Product.

It is also important to be aware that the valuation of the Structured Product is not only affected by the prevailing factors at any point in time but also the market expectations of how these factors will move over the remaining life of the investment.

8. What are some of the key risks of investing in Structured Products?

Liquidity Risk
Structured Products are less liquid than traditional investment products.
- If you need to withdraw your investment prior to maturity date, you may lose a significant part of your original invested amount.
- Structured Deposits / Notes may be subject to periodic valuation, which may not be on a daily basis. This means that you may not be able to withdraw your Structured Deposit or redeem your Structured Note immediately and/or as quickly as you desire thereby limiting your ability to respond on a timely basis to your need for funds and/or to changing market conditions.
- The bid-offer price is typically determined by a single market provider unlike traditional securities where there are multiple providers quoting a competitive price. This may result in a less transparent pricing and wider bid-offer spreads. It is important to read the terms and conditions to understand how liquid the Structured Product is.

Credit Risk
- If the bank (for Structured Deposits) or the issuer / issuing vehicle / special purpose vehicle / collateral (for Structured Notes) defaults, you will lose up to your entire original investment.
- There could be more than one credit risk that you are exposed to (e.g. more than one legal entity, issuer risk, counterparty risk etc). Identify and understand the various parties involved in the Structured Product and the credit risks that you are being exposed.
- There could be different types of credit risks (e.g. Senior vs subordinated debt ranking. Secured vs unsecured).
- It is important to read the terms and conditions to identify and understand the various parties involved and the different levels or types of credit risks that you are being exposed to when investing in a Structured Product.

Adjustment Risk

- The terms and conditions of the Structured Product may be adjusted upon the occurrence of certain events that are not in the ordinary course of business (i.e. extraordinary events). If this happens, you may experience delays in receiving valuations or payments on the Structured Product and/or you may not receive the returns you had expected or even suffer losses.

Early Redemption Risk

- The terms and conditions of a Structured Product typically include early redemption clauses that can be triggered upon the occurrence of certain defined events (e.g. extraordinary events, illegality, tax events etc).
- If early redemption clauses are triggered, the structured product will terminate prior to maturity and investors will receive liquidation proceeds equal to the valuation of the structured product at that point in time which may be substantially less than the original investment amount or zero.

Other Risks

In addition to the risks highlighted above, there are other risks of investing in structured products for example, foreign exchange (FX) risk (if you invest in a currency other than your home currency you are exposed to FX risk) and leverage risk (if you take a loan or leverage you may lose more than your original investment) etc. You should refer to the information describing the structured product to fully understand the major risks.

9. What are some common types of Structured Products? ☐

Reverse convertibles

- General Description: Structured Products with conversion or delivery features, where, the repayment of the original invested amount may be in the form of securities, typically shares of a stock. In a situation where the price of a security has fallen below a pre-defined threshold, your original invested amount will be converted into stocks at a purchase price that is higher than the prevailing price at maturity and delivered to you, resulting in possible losses.
- Investment rationale: Earn potential enhanced returns if you have a view that the price of the underlying financial instrument will be flat to moderately bullish and will not go below the pre-defined threshold that will trigger delivery.
- Risk: You should be comfortable to take delivery at the agreed prevailing price at maturity if such delivery is triggered, whereupon your ability to hold the delivered financial instrument until it recovers will be important. You should also be comfortable to risk losing your original invested amount in the delivered financial instrument falls significantly in value / has no value.

Range accrual

- General Description: Returns depend on the underlying financial instrument staying within a pre-defined range (i.e. above a lower barrier and below an upper barrier). Most typical would be the daily range accrual which pays a fixed coupon for each day that the underlying financial instrument's observed price is observed to be within the pre-defined range.
- Investment rationale: Earn potential enhanced returns if you have a view that the price of the underlying financial instrument will stay within the predefined range.
- Risk: You should be comfortable to bear the risk of earning zero returns for prolonged / significant periods during the life of the investment where the underlying financial instrument moves / stays outside the pre-defined range.

Sharksfin

- General Description: Returns linked to the appreciation of the underlying financial instrument up to a capped level. If the capped level is reached / triggered, you will get a low return or no return (i.e. Knocked Out). Such Knock Out features can limit, reduce or eliminate your potential investment earnings.
- Investment rationale: Earn potential enhanced returns linked to the price appreciation of the underlying financial instrument with a view that such appreciation will not reach the capped level.
- Risk: You should be comfortable to risk having your potential investment earnings limited or eliminated if the Knock Out is triggered.

Dual Directional

- General Description: Pays absolute returns i.e. pays a positive return in both situations where the underlying financial instrument appreciates or depreciates. Twin Win payoff structures typically have a Knock In feature, which if triggered, voids the possibility of you receiving the absolute return payoff and exposes your original investment amount to a possibility of not being repaid at maturity if the underlying financial instrument(s) performs unfavorably.
- Investment rationale: Earn potential enhanced returns in an uncertain market with a view that the price of the underlying financial instrument will not fall to and trigger the Knock-In level.
- Risk: You should be comfortable to risk losing your original invested amount in the event of a Knock In.

Interest Rate Linked

- Returns linked to an interest rate benchmark for e.g. USD LIBOR or SGD SIBOR.
- Fixed-Float
  - General Description: Pays a fixed coupon in the first year followed by a floating rate coupon in the following years that is based on observed levels of the interest rate benchmark at pre-determined points in time in the future. The floating rate coupon could be capped at a maximum % rate payable and/or floored at a minimum % rate payable.
  - Investment rationale: Earn potential enhanced returns if the interest rate benchmark rises (rising / high rates scenario)
  - Risk: You should be comfortable to bear the risk of earning low or zero returns for prolonged / significant periods during the life of the investment if the interest rate benchmark falls / stays low.

Inverse Floater

- General Description: Pays a variable coupon derived from deducting observed levels of interest rate benchmark from a pre-defined fixed coupon %.
- Investment rationale: Earn potential enhanced returns if the interest rate benchmark falls or stays low (low / falling rates scenario)
- Risk: You should be comfortable to bear the risk of earning low or zero returns for prolonged / significant periods during the life of the investment if the interest rate benchmark rises / stays high.

It is important to note that, being highly customizable, there are many different types of Structured Products in the market. Each Structured Product has its own terms and conditions which you should understand prior to making an investment.

[Remark: GCG business unit may assess and so decide to explain 1-2 (not all of the above) common structured types of products that are most relevant to their local jurisdictions. GCG business unit may amend or add to the above as necessary, to customize according to local needs]

Checklist

10. What are the situations where I could lose a substantial part of or my entire original investment amount? ☐

- If you withdraw / redeem your investment prior to maturity.
- If the bank / issuer / issuing vehicle / special purpose vehicle / collateral defaults.
- If the Structured Product early redemption clauses outlined in the terms and conditions trigger an early redemption.
- If the performance of underlying financial instrument(s) moves unfavorably (Only for Structured Products with repayment of original invested amount linked to the performance of underlying financial instrument(s).)

11. Where do I get more information on the terms and conditions, risks and other aspects of a specific Structured Product that I am considering investing in? ☐

The terms and conditions, risks and other aspects of a Structured Product are set out in its product offering documents (information sheet or product highlight sheet, termsheet, final terms, final pricing supplement, base prospectus, etc.) which your relationship manager should explain to you and you should seek to understand prior to making an investment decision.

Some key components of an offering documents to be aware of:

- Indicative terms of the Structured Product (Currency, tenure etc. Is it only the return or both the return and repayment of original invested amount exposed to / dependent on the performance of the underlying financial instrument?)
- Other key product features (Call, Knock In, Knock Out, etc.)
- Issuer / Issuing vehicle / Guarantor / Collateral / Counterparty (Rating, senior, subordinated, secured, unsecured, etc.)
- Investment rationale (What is the required investment view that needs to be realized in order for this Structured Product to pay potential enhanced returns?)
- Product mechanics (How does it work? What is the payoff formula?)
- Underlying financial instrument information (Description, price charts, etc.)
- Hypothetical Examples (What are the various scenarios including best, average, worst Case scenarios?)
- Risk disclosures (What are all the risks associated with the product? What are the situations where you may lose your entire original invested amount? Are my returns or original invested amounts exposed to FX risk?)
- Fee disclosures (How much fee are you paying?)

12. What should I consider in assessing potential returns vs risks of investing in Structured Products? ☐

- Investing in structured products means foregoing the return you would otherwise be earning on a traditional investment like fixed deposits or vanilla bonds. You should consider this opportunity cost.
- Structured Products that provide a higher potential return is typically characterized by higher risks. You should consider whether the potential upside of the variable return justify the potential downside and risks.
- You should consider how the underlying financial instrument needs to perform in order to provide the potential higher returns / avoid downside risks and assess whether you a) agree with such an outlook / the investment rationale and b) whether it is realistic / probable.

Checklist

General Disclosures
Structured Products are (i) Not insured by any government agency; (ii) Not a deposit or other obligation of, or guaranteed by, the depository institution nor Citigroup Inc. and its subsidiaries and affiliates (unless expressly provided for); and (iii) Subject to investment risks, including possible loss of the principal amount invested.

Client Acknowledgement
I/We have read and understood the educational materials and content on Structured Products as detailed in this document. I/We acknowledge that the risks, disclosures and other information set out herein are not an exhaustive description of the risks involved in a transaction and will consult my legal, regulatory, tax, financial and/or accounting advisors to the extent I consider necessary. I/We have also read the brochure and/or all other marketing materials pertaining to the specific product prior to entering into a financial transaction. Client Signature ______________________________ Date________________________

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RP Acknowledgement I acknowledge having utilized the above materials to educate the client(s)/authorized representative for the referenced Product Category. RP Signature ________________________________Date_________________________

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