

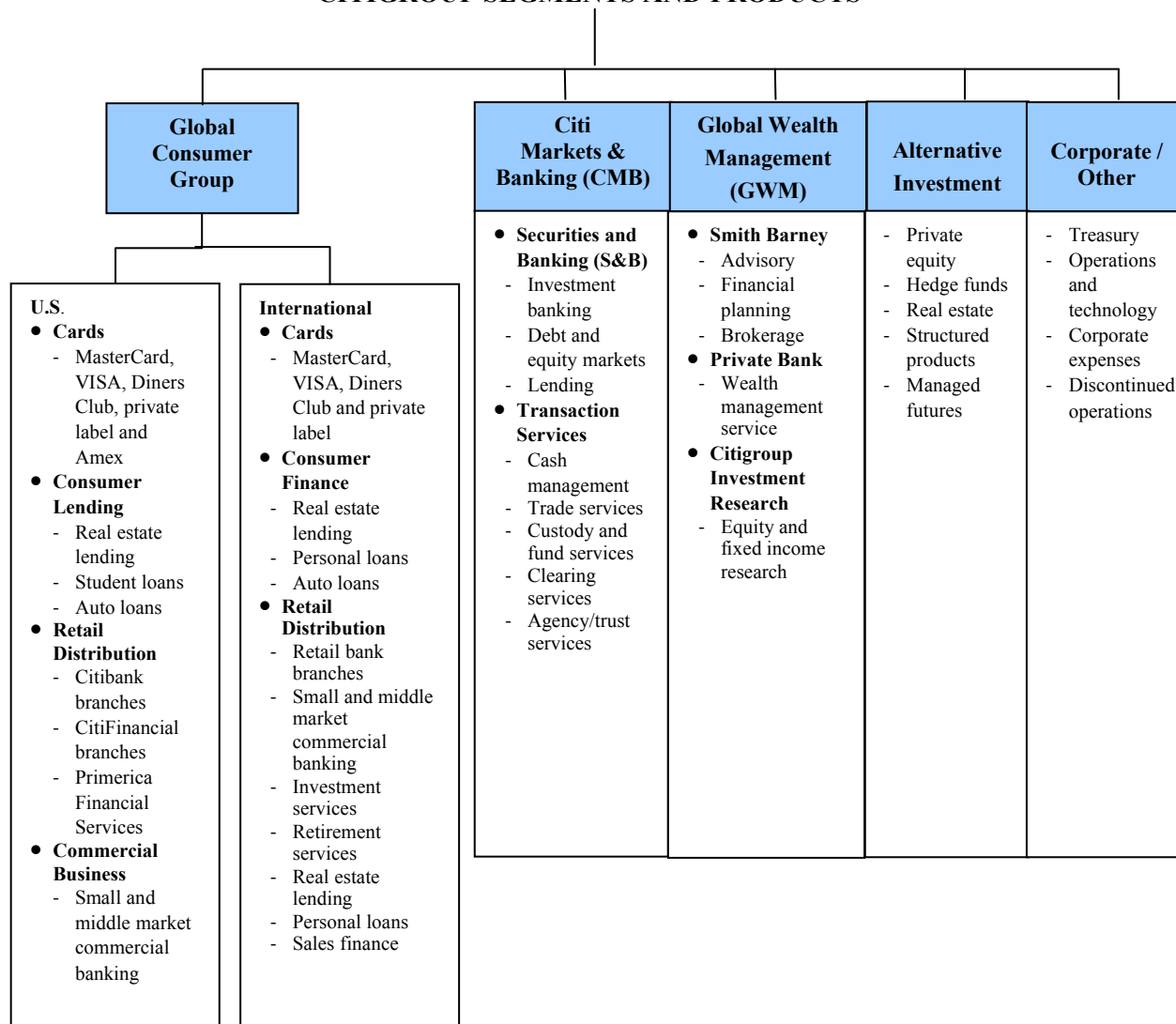
# 1. THE ISSUER

## 1.1 Nature of Business

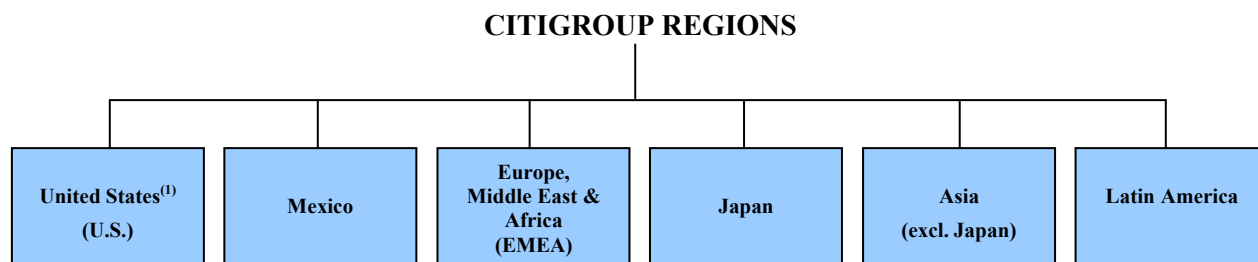
Citigroup Inc. (**Citigroup** and, together with its subsidiaries, the **Company**) is a global diversified financial services holding company whose businesses provide a broad range of financial services to consumer and corporate clients. Citigroup has more than 200 million customer accounts and does business in more than 100 countries.

Citigroup was managed along the following segment and product lines through the first quarter of 2008:

### CITIGROUP SEGMENTS AND PRODUCTS



The following are the six regions in which Citigroup operates. The regional results are fully reflected in the product results.



(1) Disclosure includes Canada and Puerto Rico.

Additional information about Citigroup is available on the Company's Web site at [www.citigroup.com](http://www.citigroup.com). Citigroup's annual report on Form 10-K, its quarterly reports on Form 10-Q, its current reports on Form 8-K, and all amendments to these reports are available free of charge through the Company's Web site by clicking on the "Investor Relations" page and selecting "All SEC Filings." The U.S. Securities and Exchange Commission Web site contains reports, proxy and information statements, and other information regarding the Company at [www.sec.gov](http://www.sec.gov).

## **1.2 Rating**

As at 20 June 2008, Citigroup was assigned long-term unsecured senior debt ratings of "Aa3", with a negative outlook, by Moody's Investors Service and "AA-", with a negative outlook, by Fitch Ratings.

## **1.3 Share Capital**

Citigroup's authorized capital stock consists of 15 billion shares of common stock, par value \$.01 per share, and 30 million shares of preferred stock, par value \$1.00 per share. As at 31 March 2008, there were 5,249,833,103 common shares outstanding and there were 461,973 preferred shares issued and outstanding. A common stock share carries one vote, and no pre-emptive or other subscription rights, or conversion rights. See Note 12 on page 78 of Schedule 2 attached hereto for a discussion of preferred and convertible and non-convertible preferred stock issuances.

## **1.4 Major Shareholders**

All of Citigroup's common stock and preferred stock is held in book entry form. Under U.S. law, no shareholder has to declare its holdings of voting equity in an issuer unless it owns 5 per cent. or more of the outstanding shares. As of 31 March 2008, to Citigroup's knowledge no person owned 5 per cent. or more of its common stock shares.

## **1.5 Management**

As at 24 June 2008, the members of the board of directors of Citigroup are C. Michael Armstrong, Alain J.P. Belda, Sir Winfried F.W. Bischoff, Kenneth T. Derr, John M. Deutch, Roberto Hernández Ramírez,

Andrew N. Liveris, Anne Mulcahy, Vikram S. Pandit, Richard D. Parsons, Judith Rodin, Robert E. Rubin, Robert L. Ryan and Franklin A. Thomas.

As at 24 June 2008, Citigroup's Executive Officers are: Shirish Apte, Ajay Banga, Don Callahan, Gary Crittenden, James A. Forese, Steven J. Freiberg, John C. Gerspach, John Havens, Michael S. Helfer, Lewis B. Kaden, Edward J. Kelly, III, Kevin Kessinger, Michael Klein, Sallie L. Krawcheck, Brian Leach, William J. Mills, Manuel Medina-Mora, William R. Rhodes and Stephen R. Volk.

## 1.6 Financial Condition

Set forth below is selected historical financial information of Citigroup. This information was derived from the consolidated financial statements of Citigroup for each of the periods presented. The information is only a summary and should be read together with the consolidated audited financial statements of Citigroup for the fiscal years ended 31 December 2007 and 2006, which begin on page 104 of Schedule 3, and the consolidated unaudited financial statements of Citigroup for the quarters ended 31 March 2008 and 2007, which begin on page 59 of Schedule 2.

<i>In millions of U.S. dollars</i>	<b>Three Months Ended March 31,</b>		<b>Year Ended 31 December</b>	
	<b>2008</b>	<b>2007<sup>(1)</sup></b>	<b>2007</b>	<b>2006<sup>(1)</sup></b>
	<b>(unaudited)</b>	<b>(unaudited)</b>		
<b>Income Statement Data:</b>				
Total revenues, net of interest expense.....	13,219	25,459	81,698	89,615
Total provision for credit losses and for benefits and claims.....	6,026	2,967	18,509	7,955
Total operating expenses.....	16,216	15,571	61,488	52,021
Income (loss) before income taxes and minority interest.....	(9,023)	6,921	1,701	29,639
Net income (loss).....	(5,111)	5,012	3,617	21,538

(1) Reclassified to conform to the current period's presentation.

<b>Balance Sheet Data:</b>	<b>At 31 March</b>	<b>At 31 December</b>	
	<b>2008 (unaudited)</b>	<b>2007</b>	<b>2006</b>
Total assets.....	2,199,848	2,187,631	1,884,318
Total deposits.....	831,208	826,230	712,041
Long-term debt.....	424,959	427,112	288,494
Total liabilities.....	2,071,629	2,074,033	1,764,535
Total stockholders' equity.....	128,219	113,598	119,783

The following table shows (1) the consolidated ratio of income to fixed charges and (2) the consolidated ratio of income to combined fixed charges including preferred stock dividends of Citigroup, in each case for each of the five most recent fiscal years and for the three months ended 31 March 2008.

	Three Months Ended 31 March		Year Ended 31 December				
	2008	2007	2007	2006 <sup>(1)(2)</sup>	2005 <sup>(1)(2)</sup>	2004 <sup>(1)(2)</sup>	2003 <sup>(1)(2)</sup>
• Ratio of income to fixed charges (excluding interest on deposits)	0.13	1.61	1.03	1.82	2.25	2.65	3.42
• Ratio of income to fixed charges (including interest on deposits)	0.46	1.39	1.02	1.52	1.79	2.01	2.43
• Ratio of income to combined fixed charges including preferred stock dividends (excluding interest on deposits)	0.13	1.61	1.03	1.81	2.24	2.63	3.39
• Ratio of income to combined fixed charges including preferred stock dividends (including interest on deposits)	0.45	1.39	1.02	1.51	1.79	2.00	2.41

(1) On December 1, 2005, Citigroup completed the sale of substantially all of Citigroup's Asset Management Business to Legg Mason, Inc. Citigroup reports these businesses separately as discontinued operations in the Company's Consolidated Statement of Income. The calculation of the ratio of income to fixed charges excludes discontinued operations. Prior periods have been restated on a comparable basis.

(2) On July 1, 2005, Citigroup completed the sale of Citigroup's Travelers Life & Annuity and substantially all of Citigroup's international insurance businesses to MetLife, Inc. Citigroup reports these businesses separately as discontinued operations in the Company's Consolidated Statement of Income.

## 1.7 Business Operation

### *First quarter of 2008 management summary*

Citigroup reported a \$5.1 billion net loss (\$1.02 per share) for the first quarter of 2008. The first quarter results were driven by two main factors: write-downs and losses related to the continued disruption in the fixed income markets and higher U.S. consumer credit costs. Results also include a \$661 million pretax gain on the sale of Redecard shares and a \$633 million increase to pretax earnings for Visa-related items.

Revenues were \$13.2 billion, down 48% from a year ago, primarily as a result of a \$13.4 billion decrease in CMB revenues, including \$6.0 billion in write-downs and credit costs on subprime-related direct exposures, write-downs of \$3.1 billion (net of underwriting fees) on funded and unfunded highly leveraged financing commitments, a downward credit value adjustment of \$1.5 billion related to exposure to monoline insurers, write-downs of \$1.5 billion on auction rate securities inventory and on \$1.0 billion on Alt-A mortgage securities.

International Consumer revenues were up 33% and International Global Wealth Management (GWM) revenues more than doubled, reflecting double-digit organic growth and results from Nikko Cordial. U.S. Consumer revenues were up 3% from the prior year, while Alternative Investments recorded negative revenues of \$358 million. Transaction Services had another record quarter, with revenues up 42%.

Customer volume growth was strong, with average loans up 17%, average deposits up 16%, and average interest earning assets up 10%. International Cards purchase sales were up 41%, while U.S. Cards sales were up 4%. In GWM, client assets under fee-based management were up 15%.

Net interest revenue increased 27% from last year, reflecting volume increases across most products. Net interest margin (**NIM**) in the first quarter of 2008 was 2.83%, up 36 basis points from the first quarter of 2007, reflecting significantly lower cost of funding, partially offset by a decrease in asset yields related to the decrease in the fed funds rate. (See discussion of NIM on page 33 of Schedule 2 attached hereto).

Operating expenses increased 4% from the first quarter of 2007 (foreign exchange translation accounted for 3%). The major components of the change are \$622 million in repositioning charges related to Citigroup's re-engineering plan, a \$250 million reserve related to an offer to facilitate GWM clients' liquidation from a specific Citi-managed fund, a \$202 million write-down on the multi-strategy hedge fund intangible asset related to Old Lane and the impact of acquisitions. Partially offsetting these items were the \$166 million Visa-related litigation reserve release and a \$282 million benefit resulting from a legal vehicle restructuring in Citigroup's Mexico business. The first quarter of 2007 included a \$1.4 billion restructuring charge related to Citigroup's Structural Expense Initiatives review. Expenses were down 2% from the fourth quarter of 2007.

During the first quarter of 2008, the Company recorded a net build of \$1.9 billion to its credit reserves. The build consisted of \$1.8 billion in Global Consumer (\$1.4 billion in U.S. Consumer and \$424 million in International Consumer) and \$148 million in Markets & Banking. The Global Consumer loss rate was 2.50%, an 81 basis-point increase from the first quarter of 2007. Corporate cash-basis loans increased \$1.5 billion from year-ago levels.

The effective tax rate (benefit) of (43)% in the first quarter of 2008 primarily resulted from the pretax losses in the Company's S&B business taxed in the U.S. (the U.S. is a higher tax jurisdiction). In addition, the tax benefits of permanent differences, including the tax benefit for not providing U.S. income taxes on the earnings of certain foreign subsidiaries that are indefinitely invested, favorably affected the Company's effective tax rate.

Citigroup's stockholders' equity and trust preferred securities were \$152.2 billion at March 31, 2008, reflecting preferred stock issuances of \$19.4 billion during the quarter. Citigroup distributed \$1.7 billion in common dividends to shareholders during the quarter. Citigroup maintained its "well-capitalized" position with a Tier 1 Capital Ratio of 7.74% at March 31, 2008.

Citigroup raised an additional \$6.0 billion of capital through a preferred stock issuance on April 28, 2008 and sold approximately \$4.9 billion of common stock (closed on May 5, 2008), which includes the over-allotment option that was exercised on May 1, 2008. On a pro forma basis, taking into account the issuances of this preferred and common stock, the Company's March 31, 2008 Tier 1 Capital ratio would have been approximately 8.7%.

On March 31, 2008, Citigroup announced a comprehensive reorganization of its organizational structure to achieve greater client focus and connectivity, global product excellence, and clear accountability. The new organizational structure will allow Citigroup to focus resources towards growth in emerging and developed markets and improve efficiencies throughout the Company.

#### *Year Ended 31 December 2007 management summary*

There were a number of highlights in 2007, including record performance of the International Consumer, Global Wealth Management and Transaction Services business segments.

These positives, however, were offset by disappointing results in the Markets & Banking business, which was significantly affected by write-downs related to direct subprime exposures, including CDOs, leveraged lending, and by significantly higher credit costs in the U.S. Consumer business. In 2007, Citigroup earned \$3.6 billion from continuing operations on revenues of \$81.7 billion. Income and EPS were both down 83% from 2006 levels.

Customer volume growth was strong, with average loans up 17%, average deposits up 20% and average interest-earning assets up 29% from year-ago levels. International Cards purchase sales were up 37%, while U.S. Cards sales were up 8%. In Global Wealth Management, client assets under fee-based management were up 27%. Branch activity included the opening or acquisition of 712 new branches during 2007 (510 internationally and 202 in the U.S.). Citigroup also completed several strategic acquisitions or investments (including Nikko Cordial, Egg, Quilter, GFU, Grupo Cuscatlan, ATD, and Akbank), which were designed to strengthen Citigroup's franchises.

Revenues of \$81.7 billion decreased 9% from 2006, primarily driven by significantly lower revenues in CMB due to write-downs related to subprime CDOs and leveraged lending. Revenues outside of CMB grew 14%. International operations recorded revenue growth of 15% in 2007, including a 28% increase in International Consumer and a \$1.8 billion increase in International GWM, partially offset by a 9% decrease in International CMB.

Net interest revenue grew 19% from 2006, reflecting volume increases across all products. Net interest margin in 2007 was 2.45%, down 21 basis points from 2006, as higher funding costs exceeded the Company's actions to better manage interest earning assets and reduce low-yielding asset balances, and increased ownership in Nikko Cordial (see the discussion of net interest margin on page 70 of Schedule 2 attached hereto). Non-interest revenue decreased 31% from 2006, primarily reflecting subprime write-downs. Securities and Banking finished the year ranked #1 in equity underwriting and #2 in completed mergers and acquisitions activity.

Operating expenses increased 18% from the previous year primarily driven by the impact of acquisitions, increased business volumes, charges related to the structural expense initiative and the impact of foreign exchange.

The Company's equity capital base and trust preferred securities grew to \$137.2 billion at December 31, 2007. Stockholders' equity decreased by \$6.2 billion during 2007 to \$113.6 billion, which included the distribution of \$10.7 billion in dividends to common shareholders. Citigroup maintained its "well-capitalized" position with a Tier 1 Capital Ratio of 7.12% at December 31, 2007. Return on common equity was 2.9% for 2007.

During December 2007 and January 2008 Citigroup raised over \$30 billion to strengthen our capital base. See page 75 of Schedule 3 attached hereto for a discussion of the Company's pro forma year-end capital ratios.

On January 14, 2008, the Board decreased the quarterly dividend on the Company's common stock to \$0.32 per share. This new dividend level will allow the Company to reinvest in growth opportunities and properly position the Company for both favorable and unfavorable economic conditions.

Credit costs increased \$10.6 billion from year-ago levels, driven by an increase in NCLs of \$3.1 billion and a net charge of \$7.5 billion to build loan loss reserves.

U.S. Consumer credit costs increased \$7.1 billion from year-ago levels, driven by a change in estimate of loan losses, increased NCLs and net builds to loan loss reserves. The increases were due to a weakening in credit indicators and sharply higher delinquencies on first and second mortgages related to the deterioration in the U.S. housing market. The NCL ratio increased 27 basis points to 1.46%.

International Consumer credit costs increased \$2.3 billion, reflecting a change in estimate of loan losses, along with volume growth and credit weakness in certain countries, the impact of recent acquisitions, and the increase of NCLs in Japan Consumer Finance due to grey zone issues.

Markets & Banking credit costs increased \$1.0 billion, driven by higher NCLs associated with subprime-related direct exposures. Corporate cash-basis loans increased \$1.2 billion from year-ago levels to \$1.8 billion.

The Company recorded an income tax benefit for 2007, resulting from the significant amount of consolidated pretax losses in the Company's S&B and U.S. Consumer Lending businesses and the tax benefits of permanent differences.

On November 4, 2007, Charles Prince, Chairman and Chief Executive Officer, elected to retire from Citigroup. Robert Rubin served as Chairman between November 4 and December 11. On December 11, 2007, the Board appointed Vikram S. Pandit as CEO and Sir Win Bischoff as Chairman.

## **1.8 Outstanding Bonds**

As at the date hereof, there are Thai Baht 5 billion bonds outstanding issued by Citigroup in Thailand, divided into the following:-

- (a) The Bonds of Citigroup Inc. No. 1/2549, Due B.E. 2554 (2011) in an aggregate principal amount of Thai Baht 2,600,000,000;
- (b) The Bonds of Citigroup Inc. No. 1/2550, Tranche 1 Due B.E. 2557 (2014) in an aggregate principal amount of Thai Baht 900,000,000; and
- (c) The Bonds of Citigroup Inc. No. 1/2550, Tranche 2 Due B.E. 2560 (2017) in an aggregate principal amount of Thai Baht 1,500,000,000.

## **1.9 Encumbrances on Assets of Citigroup**

All senior bonds issued by Citigroup (including the Bonds) are unsecured. No assets of Citigroup are subject to any encumbrance for the purposes of securing Citigroup's performance under those senior bonds (including the Bonds).

## 2. RISK FACTORS

You should carefully consider the following risk factors, as well as other information set out in this Prospectus, prior to making an investment in the Bonds. The risks described below are not the only ones that may affect the Bonds. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations.

### *Relating to Citigroup*

**The ability of Citigroup to fulfill its obligations under the Bonds is dependent on the earnings of its subsidiaries.**

Citigroup is a holding company that does not engage in any material amount of business activities that generate revenues. Citigroup services its obligations primarily with dividends and advances from its subsidiaries. Its subsidiaries that operate in the banking and securities businesses can only pay dividends if they are in compliance with applicable regulatory requirements imposed on them by federal and state regulatory authorities. Its subsidiaries may be subject to credit agreements that also may restrict their ability to pay dividends. If such subsidiaries did not realize sufficient earnings to satisfy applicable regulatory requirements, or if such requirements were changed to further restrict the ability of such subsidiaries to pay dividends to Citigroup, Citigroup's ability to fulfill its obligations under the Bonds may be adversely affected.

**Under U.S. banking law, Citigroup may be required to apply its available funds to support the financial position of its banking subsidiaries, rather than to fulfill its obligations under the Bonds.**

Under longstanding policy of The Board of Governors of the U.S. Federal Reserve System, a bank holding company (such as Citigroup) is expected to act as a source of financial strength for its subsidiary banks and to commit resources to support such banks. As a result of that policy, Citigroup may be required to commit resources (in the form of investments or loans) to its subsidiary banks in amounts or at times that could adversely affect its ability to also fulfill its obligations under the Bonds.

**Reduction of Citigroup's ratings may reduce the market value and liquidity of the Bonds.**

Each rating agency rating may reduce or withdraw its ratings of Citigroup at any time in the future if, in its judgment, circumstances warrant a change. No rating agency is obligated to maintain its ratings at their current levels. If a rating agency reduces or withdraws its rating of Citigroup, the liquidity and market value of the Bonds are likely to be adversely affected. As of 20 June 2008, Citigroup was assigned long-term unsecured senior debt ratings of "Aa3", with a negative outlook, by Moody's Investors Service and "AA-", with a negative outlook, by Fitch Ratings.

### *Relating to the Bonds*

**Changes in exchange rates could reduce the market value of the Bonds and the value of payments on the Bonds to an investor.**

An investment in Bonds denominated in a currency (the "**specified currency**") that is not the currency of the investor's jurisdiction (the "**investor's currency**") entails risks that are not present in a similar investment in a debt security denominated in the investor's currency. These risks include:



- The possibility of significant market changes in rates of exchange between the investor's currency and the specified currency; and
- The possibility of significant changes in rates of exchange between the investor's currency and the specified currency resulting from official redenomination or revaluation of the specified currency or the investor's currency.

These risks depend on factors over which Citigroup has no control and which may not be readily foreseeable, such as economic events (both national and global), political events and the supply of, and demand for, the relevant currencies.

The rates of exchange between currencies in which Bonds may be denominated have historically been volatile, and this volatility may be expected in the future. Past fluctuations in particular rates of exchange are not necessarily indicative of future fluctuations that may occur during the term of any Bond. Depreciation of the specified currency for a particular Bond against the investor's currency would result in a reduction of the effective yield of such Bond below its coupon rate and could result in a substantial loss to the investor at maturity in terms of the investor's currency.

**Changes in market interest rates may result in reduced market value of an investment in fixed rate Bonds.**

If market interest rates increase after an investor has invested in Bonds bearing interest at a fixed rate, the market value of those Bonds may be adversely affected.

**Early repayment of Bonds may expose an investor to reinvestment risk.**

As described under "Description of Bonds—Redemption for Tax Purposes", Citigroup has the right to redeem the Bonds prior to their maturity date in the event of certain changes in U.S. tax laws. Upon an investor's receipt of the redemption proceeds for his Bonds, the investor may not be able to reinvest those proceeds in an investment with a comparable yield to the Bonds or in an investment of similar or better credit quality.

**Legal investment considerations may restrict investments by some investors.**

The investment activities of certain investors are subject to legal investment laws and regulations, or to review or approval by governmental authorities. Each potential investor should consult its advisors to determine whether and to what extent (a) the Bonds are a legal investment for it, (b) the Bonds can be used as collateral for borrowings, pledges or repurchase transactions and (c) any other consequences of a proposed investment in Bonds. Institutions that are subject to risk-based capital or similar rules should consult their advisors or regulators to determine the treatment of the Bonds under such rules.

**Implementation of the EU Savings Directive may affect withholding of tax on Bonds.**

Under the European Council Directive 2003/48/EC on the taxation of savings income, Member States of the European Union are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of

certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories have agreed to adopt similar measures (some of which involve a withholding system).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of or in respect of tax were to be withheld from that payment, none of Citigroup, any paying agent or any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

**A secondary market for the Bonds may not develop or may not exist throughout their term.**

The Bonds will have no established trading market when issued and one may never develop. If a market does develop, it may be of limited duration or it may not provide sufficient liquidity for investors to be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed trading market.

Please see more risk factors beginning on page 38 of Schedule 3 attached herewith.

### **3. AVAILABILITY OF INFORMATION**

So long as any Bonds remain outstanding, the Issuer will provide without charge copies of the quarterly unaudited financial statements, annual reports incorporated herein and copies of Citigroup's Certificate of Incorporation, upon request. Written or telephone requests should be directed to the Citigroup Document Services, 140 58th Street, Suite 8G, Brooklyn, New York 11220, telephone 1-718-765-6514.

The investors may request to check or request for a copy of this Prospectus and the Registration Statement as filed with the Office of the Securities and Exchange Commission of Thailand during the business days and hours of the Office of the Securities and Exchange Commission of Thailand.

#### 4. DESCRIPTION OF THE BONDS

The issuance of the Bonds has been authorized pursuant to resolutions of Citigroup's Board of Directors adopted on 14 January 2008, which constitutes Citigroup's global borrowing authorization and by resolutions of the Funding Committee of the Board of Directors adopted on 24 June 2008, and approved by the Ministry of Finance on 25 December 2007. *This summary highlights information contained elsewhere in this Prospectus. This summary is qualified by, and must be read in conjunction with, the more detailed information and financial statements appearing elsewhere in this Prospectus. Prospective investors in the Bonds should read this entire Prospectus carefully, including the audited and unaudited consolidated financial statements of the Issuer and related Bonds.*

Issuer:	Citigroup Inc.
Bonds:	The Bonds of Citigroup Inc. No. 1/2551 Due B.E. 2554 (2011).
Par Value:	Baht 1,000 per unit
Aggregate Principal Amount of the Bonds:	Baht 2,453,000,000
Number of the Bonds:	2,453,000 units.
Maturity Date:	4 July 2011
Issue Date:	30 June 2008
Interest Rate:	6.18 per cent. per annum.
Interest Payment Date:	Interest will be payable semi-annually in arrears on 30 June and 30 December in each year, commencing on 30 December 2008, (save for the last Interest Payment Date which shall be payable on 4 July 2011 (and not 30 June 2011) as the same may be adjusted in accordance with the Following Business Day Convention.
Bondholders' Representative:	The Siam Commercial Bank Public Company Limited
Registrar:	Thailand Securities Depository Company Limited
Ranking:	The Bonds will, upon being issued, constitute direct, unconditional, unsubordinated and (without prejudice to the provisions of Condition 6.1) unsecured obligations of the Issuer and will at all times rank <i>pari passu</i> and rateably without any preference among the obligations of the Issuer in respect of other Bonds of the same series of the Issuer and (subject to any applicable statutory exceptions and without prejudice to the provisions of Condition 6.1) at least <i>pari passu</i> with all other unsecured and unsubordinated indebtedness and monetary

obligations of the Issuer, present and future.

Form of the Bonds:	The Bonds may be issued in scripless form or in physical form evidenced by bond certificates.
Tax Redemption:	Bonds will be subject to early redemption for tax reasons as described in Condition 9.
Risk Factors:	Investment in the Bonds involves risks which are described in “Risk Factors”.
Listing:	The Bonds will be listed on the Thai Bonds Market Association.
Rating:	Each of the Issuer and the Bonds has been rated Aa3 by Moody’s Investors Service and AA- by Fitch Ratings. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.
Governing Law:	The Bonds will be governed by, and shall be construed in accordance with, Thai law.

## 5. TERMS AND CONDITIONS OF THE BONDS

The following is the full text of the terms and conditions (the **Conditions**) of the Bonds of Citigroup Inc. No. 1/2551 Due B.E. 2554 (2011) issued by Citigroup Inc. (**Citigroup** or the **Issuer**) pursuant to a resolution of the Funding Committee of the Board of Directors of Citigroup adopted on 24 June 2008 and resolutions of the Board of Directors of Citigroup adopted on 14 January 2008, with The Siam Commercial Bank Public Company Limited as the Bondholders' Representative and the approval of the Ministry of Finance dated 25 December 2007. The Bonds (as defined below) will be issued and offered in reliance on Notification No. Gor. Jor. 4/2549, as described below.

The Bondholders shall be entitled to the rights as prescribed in these Conditions and Citigroup and the Bondholders shall be bound by these Conditions in all respects. In this regard, Bondholders shall be deemed to have a thorough knowledge and understanding of the provisions of the Conditions and to have given their consent to the appointment of the Bondholders' Representative and to the terms and conditions of such appointment set out in the Bondholders' Representative Appointment Agreement (as described below).

Citigroup will arrange for copies of the Conditions, the Bondholders' Representative Appointment Agreement and the Registrar Appointment Agreement (as defined below) to be kept at the head office of the Bondholders' Representative so that Bondholders may view and inspect them during normal business hours of the Bondholders' Representative on any Business Day (as defined below).

### 1. Definitions

In these Conditions the following expressions have the following meanings:

**"Bond Certificates"** means the certificates representing the Bonds in physical form;

**"Bondholder"** means a holder of the Rights in a Bond under Condition 3;

**"Bondholders' Representative"** means The Siam Commercial Bank Public Company Limited or any replacement or successor thereof;

**"Bondholders' Representative Appointment Agreement"** means the Bondholders' Representative Appointment Agreement dated 27 June 2008 between Citigroup and the Bondholders' Representative, as the same may be amended or supplemented from time to time pursuant to the provisions thereof;

**"Bonds"** means The Bonds of Citigroup Inc. No. 1/2551 Due B.E. 2554 (2011);

**"Business Day"** means a day, other than a Saturday or Sunday, on which commercial banks and foreign exchange markets settle payments generally and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Bangkok, Thailand;

**"Default Rate"** means 2 per cent. per annum. above the Interest Rate;

**"Event of Default"** means each event specified as such in Condition 12;

**"Following Business Day Convention"**, in relation to any particular date, shall mean that the relevant date shall be postponed to the first following day that is a Business Day;

**"Indebtedness"** means any and all obligations of a corporation for money borrowed which in accordance with U.S. generally accepted accounting principles would be reflected on the balance sheet of such corporation as a liability on the date as of which the Indebtedness is to be determined;

**"Institutional Investors"** means qualified institutional investors as defined in the Notification of the SEC No. Gor. Yor. 40/2549 Re: Filing and Exemption from Filing of Registration Statement for the Offer of Debt Instrument dated 15 November 2006 (as amended), at the date hereof, being:- (1) commercial banks; (2) finance companies; (3) securities companies, which manage their own property, private funds, or investment projects established under the Act on the Undertaking of Finance Business, Securities Business and Credit Foncier Business; (4) credit foncier companies; (5) insurance companies; (6) government agencies and state enterprises under the budgetary procedure law or other juristic persons established under specific laws; (7) Bank of Thailand; (8) international financial institutions; (9) financial institutions development fund; (10) government pension fund; (11) provident funds; (12) mutual funds; and (13) foreign investors with same characteristics to investors listed above, as applicable (as the same may be amended, modified or supplemented from time to time by the SEC);

**"Interest Commencement Date"** means the Issue Date of the Bonds;

**"Interest Payment Date"** means 30 June and 30 December in each year, (save for the last Interest Payment Date which shall be payable on 4 July 2011 (and not 30 June 2011), as the same may be adjusted in accordance with the Following Business Day Convention;

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**"Interest Rate"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Bonds as set out in Condition 7;

**"Issue Date"** means 30 June 2008;

**"Maturity Date"** means 4 July 2011;

**"Non-United States Person"** means a Person who is not a United States Person;

**"Notification No. Gor. Jor. 4/2549"** means the Notification of the SEC No. Gor. Jor. 4/2549 Re: The Offer for Sale of Foreign Bonds or Foreign Bonds in Thailand dated 24 January 2006, as the same may be from time to time amended, modified, supplemented or replaced;

**"Payment Account"** has the meaning specified in the Registrar Appointment Agreement;

**"Payment Day"** means a day, other than a Saturday or Sunday, on which commercial banks and foreign exchange markets settle payments generally and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Bangkok, Thailand;

**"Person"** means any individual, company, corporation, firm, partnership, limited liability company, joint venture, association, trust, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**"Record Date"** has the meaning specified in Condition 4.4;

**"Redemption Date"** means each of the Maturity Date and any date fixed for early Redemption of the Bonds pursuant to Condition 9.1;

**"Redemption Amount"** means, in respect of any Bond, its principal amount;

**"Register"** means the register or source of registration information, maintained pursuant to the Registrar Appointment Agreement, that records particulars relating to the Bonds and Bondholders;

**"Registrar"** means Thailand Securities Depository Company Limited or any replacement thereof or successor thereto as Registrar;

**"Registrar Appointment Agreement"** means the Registrar Appointment Agreement dated 27 June 2008 between the Issuer and the Registrar, or the agreement appointing a new Registrar, as each may from time to time be amended, modified or supplemented pursuant to the terms thereof;

**"Relevant Date"** means an Interest Payment Date or a Redemption Date, as applicable;

**"Rights in the Bonds"** means all the rights of Bondholders in, to and under the Bonds, including (but not limited to) the rights to receive payment of principal and interest and to attend and vote at meetings of Bondholders;

**"SEC"** means the Securities and Exchange Commission of Thailand;

**"Securities Depository Center"** means Thailand Securities Depository Company Limited or any other Person that may engage in property depository business according to Thai law and assumes the duties on its behalf;

**"Significant Subsidiary"** means a Subsidiary, including its Subsidiaries, which meet any of the following conditions:

- (a) the Issuer and its other Subsidiaries' investments in and advances to the Subsidiary exceed 10 (ten) per cent. of the total assets of the Issuer and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or
- (b) the Issuer and its other Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of the Subsidiary exceeds 10 (ten) per cent. of the total assets of the Issuer and its Subsidiaries consolidated as of the end of the most recently completed fiscal year; or
- (c) the Issuer and its other Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of the Subsidiary exceeds 10 (ten) per cent. of such income of the Issuer and its



Subsidiaries consolidated for the most recently completed fiscal year. For the purposes of making such prescribed income test, the following shall be applicable:

- (i) when a loss has been incurred by either the Issuer and its Subsidiaries consolidated or the tested Subsidiary, but not both, the equity in the income or loss of the tested Subsidiary shall be excluded from the income of the Issuer and its Subsidiaries consolidated for purposes of the computation; and
- (ii) if income of the Issuer and its Subsidiaries consolidated for the most recent fiscal year is at least 10 (ten) per cent. lower than the average of the income for the last five fiscal years, such average income shall be substituted for the purposes of the computation. Any loss years shall be omitted for purposes of computing average income;

**"Subsidiary"** means any corporation of which securities entitled to elect at least a majority of such corporation's directors shall at the time be owned, directly or indirectly, by the Issuer and/or one or more Subsidiaries;

**"TBMA"** means Thai Bonds Market Association, and any successor or replacement entity thereto;

**"United States"** means the United States of America, which includes only the States and the District of Columbia;

**"United States Person"** means:

- (a) any individual who is a citizen or resident of the United States;
- (d) any corporation, partnership or other entity treated as a corporation or partnership created or organised in or under the laws of the United States or a political subdivision thereof;
- (e) any estate if the income of such estate falls within the federal income tax jurisdiction of United States regardless of the source of such income; and
- (f) any trust if a United States court is able to exercise primary supervision over its administration and one or more United States Persons have the authority to control all of its substantial decisions of the trust;

**"Voting Stock"** means capital stock the holders of which have general voting power under ordinary circumstances to elect at least a majority of the directors of a corporation, provided that capital stock which carries only a right to vote conditional on the happening of an event shall not be considered voting stock, whether or not such event has happened.

## **Interpretation**

In these Conditions:

- (a) any reference to principal shall be deemed to include the Redemption Amount, any premium payable in respect of a Bond and any other amount in the nature of principal payable pursuant to these Conditions;
- (b) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 10 and any other amount in the nature of interest payable pursuant to these Conditions; and
- (c) references to Bonds being "outstanding" or "unredeemed" shall be construed in accordance with the Registrar Appointment Agreement.

## **2. Type of Bonds, Denomination and Maturity**

The Bonds are in registered scripless form, or in physical registered form and evidenced by Bond Certificates.

On the Issue Date, there shall be a total of 2,453,000 units of Bonds, each with a par value of Baht 1,000, in the aggregate principal amount of Baht 2,453,000,000.

Unless previously purchased or cancelled, or unless previously redeemed as contemplated by Condition 9.1, the Bonds will be redeemed at their Redemption Amount on the Maturity Date.

## **3. Bond Certificates, Register and Title**

- 3.1 The Registrar shall be required under the Registrar Appointment Agreement to issue Bond Certificates substantially in the form provided in Attachment No. 1 to these Conditions to each subscriber of the Bonds who requests in its subscription form that Bond Certificates be issued in its name.

If a subscriber of the Bonds has requested in its subscription form that its Bonds be deposited with the Securities Depository Center (so that such Bonds may be traded in the scripless system), the name of the Securities Depository Center shall be entered by the Registrar in the Register as the person holding such Bonds on behalf of such Bondholder (through the participants in the Securities Depository Center).

- 3.2 The Registrar shall be required under the Registrar Appointment Agreement to prepare and maintain the Register until all of the Bonds have been redeemed or purchased and cancelled.

- 3.3 (a) Rights in the Bonds where Bond Certificates are issued

The Rights in the Bonds shall vest in the person whose name appears as the owner of those Bonds in the Register on the first Business Day of any closure of the Register for suspension of recording bond transfers in accordance with Condition 4.4 or any other date as specifically provided for in these Conditions, unless such Bonds have been

transferred and such transfer has been made in compliance with Condition 4.2 or 4.3 on the relevant dates. If the Bonds have been so transferred, the Rights in the Bonds shall vest in the transferee of those Bonds.

(b) Rights in the Bonds where Bonds are in scripless form

The Rights in the Bonds that have been entered in the Register as being held by the Securities Depository Center shall vest ultimately in the person whose name and address is notified in writing by the Securities Depository Center to the Registrar as the person holding the Rights in the Bonds on the first Business Day of any closure of the Register for suspension of recording bond transfers pursuant to Condition 4.4.

- 3.4 If the Securities Depository Center notifies the Registrar of the name and address of a person holding the Rights in the Bonds in relation to Bonds in scripless form that are listed in the Register as having been deposited with the Securities Depository Center and requests that a Bond Certificate be issued to such person, the Registrar shall issue a Bond Certificate to such person and record such person as a Bondholder in the Register.

After the issuance of a Bond Certificate and the registration as described above, the Registrar shall amend the total number of Bonds registered in the Register as being held by the Securities Depository Center by deducting therefrom the number of Bonds now registered in the name of such Bondholder.

#### **4. Transfer of Bonds**

- 4.1 Any transfer of Bonds by any Bondholder may only be made to an Institutional Investor. Subject to these limitations, the Bonds may be freely transferred or pledged.

- 4.2 Any transfer of Bonds that are not deposited with the Securities Depository Center shall be made in accordance with the following rules:

- (a) Validity of transfer of Bonds against a transferor: a transfer of Bonds shall be valid against the transferor only upon the transferor whose name appears in the Register as the owner thereof (or the last transferee, as the case may be) having delivered to the transferee the Bond Certificate, the back of which contains the transferor's signature as transferor and an uninterrupted series of endorsements in relation to each prior transfer by each previous transferor and transferee.
- (b) Validity of transfer of Bonds against the Issuer: a transfer of Bonds shall be valid against the Issuer only when the name of the transferee is in the process of being entered into the Register and the Registrar has received the application for registration of such transfer together with the Bond Certificate, the back of which contains the transferor's signature as transferor.
- (c) Validity of transfer of Bonds against a third party: a transfer of Bonds shall be valid against third parties only when the Registrar has entered the transfer of the Bonds in the Register.

The application for registration of transfer of Bonds shall be made at the head office of the Registrar on any Business Day, during office hours of the Registrar and according to the form and procedure prescribed by the Registrar. The applicant shall deliver to the Registrar the Bond Certificate containing all signatures required pursuant to Conditions 4.2(a) and (b), together with other evidence as prescribed by the Registrar which verifies the correctness and completeness of the transfer and the acceptance of the transfer of the Bonds. The Registrar shall enter the transfer of the Bonds in the Register within 3 (three) Business Days after the date on which the Registrar has duly received the complete application for registration of transfer, together with the Bond Certificate and any other evidence required by it to be delivered.

4.3 Any transfer of Bonds that are deposited with the Securities Depository Center shall be made in accordance with the regulations of the Stock Exchange of Thailand, the Securities Depository Center and other agencies, including the relevant over-the-counter centers.

4.4 Record Date for an Interest Payment Date or a Redemption Date

The Register shall be closed at noon on the 14th (fourteenth) day prior to an Interest Payment Date, a Redemption Date, any date fixed for a meeting of Bondholders or any other date for any other purpose as provided for in these Conditions and as notified by the Issuer to the Registrar and the Bondholders' Representative. The first day of each such closed period is called a "Record Date". If the Record Date falls on a day that is not a Business Day, the Register shall be closed on the next Business Day and, in such case, the closed period of the Register shall be less than 14 (fourteen) days. The Registrar shall not be required to register any transfer of Bonds during the closed period of the Register.

The Issuer reserves the right to change the date and time for the closure of the Register without the need to obtain consent from Bondholders, provided that such change must be in compliance with the rules and regulations of the Securities Depository Center or any other relevant authority.

Payment of principal and/or interest or any other sum payable in respect of the Bonds to Bondholders shall be made to the Bondholders registered in the Register as such as of the relevant Record Date.

## **5. Status**

Upon issuance, the Bonds will constitute direct, unconditional, unsubordinated and (without prejudice to the provisions of Condition 6.1) unsecured obligations of the Issuer and will at all times rank *pari passu* and rateably without any preference among the obligations of the Issuer in respect of other Bonds of the same series of the Issuer and (subject to any applicable statutory exceptions and without prejudice to the provisions of Condition 6.1) at least *pari passu* with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

## **6. Covenants of the Issuer**

6.1 So long as any Bond remains outstanding, the Issuer will not, and will not permit any Subsidiary to, incur, issue, assume or guarantee any Indebtedness if such Indebtedness is secured by a pledge of, lien on, or security interest in any shares of Voting Stock of any Significant Subsidiary, whether such Voting Stock is owned now or acquired in the future, without effectively providing

that the Bonds (together with, if the Issuer shall so determine, any other indebtedness or obligations of the Issuer or any Subsidiary ranking equally with the Bonds and then existing or thereafter created) shall be secured equally and rateably with such Indebtedness. For the purposes of the foregoing, pledging, placing a lien on or creating a security interest in any shares of Voting Stock of a Significant Subsidiary in order to secure then outstanding Indebtedness of the Issuer or any Subsidiary shall be deemed to be the incurrence, issuance, assumption or guarantee (as the case may be) of such Indebtedness, but the foregoing shall not apply to Indebtedness secured by a pledge of, lien on or security interest in any shares of Voting Stock of any corporation at the time it becomes a Significant Subsidiary, including extensions, renewals and replacements of such Indebtedness without an increase in the amount thereof.

- 6.2 If there occurs any circumstance that requires a change of the Bondholders' Representative or the Registrar, the Issuer shall exercise its commercial best efforts to appoint a new Bondholders' Representative or Registrar, as the case may be, as soon as possible but in any event not later than 90 (ninety) days from the date the Issuer becomes aware of such circumstance.
- 6.3 The Issuer shall arrange for the rating of the Bonds by Standard & Poor's and Moody's Investors Services or any other credit rating agency, whose qualifications have been approved by the Office of the SEC throughout the tenure of the Bonds.
- 6.4 The Issuer agrees to provide the Office of the SEC with an updated registration statement:-
- (a) within 90 (ninety) days of the end of each fiscal year of the Issuer; and
  - (b) as soon as practicable following the occurrence of any material adverse effect on the financial condition of the Issuer.

## **7. Interest**

- 7.1 Interest on each Bond shall be paid semi-annually in arrears on each Interest Payment Date. Such interest shall be calculated by multiplying (a) the product of the principal amount outstanding on each unit of the Bonds and the Interest Rate by (b) the number of days in respect of that Interest Period, and dividing the result by 365 and rounding the resulting figure to six decimal places (in case the seventh decimal place is equivalent to or more than five, the sixth decimal place shall be rounded up).

Interest shall accrue from the Issue Date and shall be calculated on the basis of the actual number of days elapsed (from and including the first day of the relevant Interest Period during which it accrues to but excluding the Interest Payment Date). For avoidance of doubt, each Interest Period is not subject to adjustment except the final Interest Period ending on the Redemption Date. If the final Interest Period ends on a day which is not a Business Day, such Interest Period shall end on the next following Business Day.

The Bonds will cease to bear interest from the Redemption Date unless, at the time of redemption, payment of the principal is improperly withheld or refused. In that event, interest shall continue to accrue in accordance with Condition 7.2 (both before and after judgment) until the earlier of the date of actual redemption and the 14th (fourteenth) day after the date on which the full amount of the redemption money has been successfully transferred into the Payment Account, and notice to that effect shall have been duly notified in accordance with Condition 19.

7.2 If the Issuer defaults on any principal payment as provided in these Conditions, interest on the principal amount which is due but unpaid from the Redemption Date up to the earlier of the date of actual repayment in full of such principal amount and the 14th (fourteenth) day after the date on which the full amount of the redemption money has been transferred into the Payment Account, shall be calculated at the Default Rate irrespective of whether or not the Bondholders' Representative has already notified the Issuer in writing pursuant to Condition 12.2.

## **8. Method of Payment of Principal and Interest**

### **8.1 Redemption of the Bonds**

Unless previously redeemed pursuant to Condition 9.1 or previously purchased and cancelled, each Bond shall be redeemed in full on the Maturity Date at its nominal amount. If any Redemption Date falls on a day which is not a Payment Day, it shall be postponed to the next following day that is a Payment Day and an additional interest shall accrue on the Bonds in respect of such postponement.

On the Redemption Date, the Issuer shall transfer for value on the same date the total amount of the Redemption Amount due and payable upon the Bonds in full to the Payment Account. Once such transfer has been made, the Issuer shall be released and discharged from its obligations to pay such Redemption Amount to Bondholders.

Payments of principal shall be made by the Registrar to each Bondholder by means of a crossed check marked "A/C payee only" in the name of the Bondholder and mailed to the address of the Bondholder registered in the Register or in the list provided by the Securities Depository Center. No payments on Bonds will be made by mail to an address in the United States or by transfer to an account maintained by the holder in the United States.

- (a) Where Bond Certificates are issued for the Bonds: The Registrar shall not be required to make such payment until the Bondholder has surrendered its Bond Certificate representing the Bonds at the head office of the Registrar. A Bondholder may surrender its Bond Certificate prior to the Redemption Date and the Registrar shall then issue a written acknowledgement of receipt thereof.
- (b) Where Bonds are in scripless form: The Securities Depository Center shall provide, on the first Business Day after the Record Date, the Registrar with the names and addresses of the holders of the Rights in the Bonds in scripless form and the number of units of Bonds held by each such holder on the Record Date. The Registrar shall then pay the Redemption Amount in respect of these Bonds to each such Bondholder based on the list so provided.

### **8.2 Payment of interest or any other payment**

On each Interest Payment Date, the Issuer shall transfer for value on the same date the entire amount of interest due and payable on such Interest Payment Date to the Payment Account. Once such transfer has been made, the Issuer shall be released and discharged from its obligations to pay such interest or any other payment (if any) to the Bondholders.

Payment of interest or any other payment shall be made by the Registrar to each Bondholder by means of a crossed check marked "A/C payee only" in the name of the Bondholder and mailed to the address of the Bondholder registered in the Register or in the list provided by the Securities Depository Center.

- 8.3 If the due date for any payment under the Bonds (i.e., principal and/or interest payment or any other payment) to Bondholders does not fall on a Payment Day, payment shall be made on the next following Payment Day. The Issuer and the Registrar shall not be required to make any additional payment for such a postponement, except for the final Interest Period ending on the Redemption Date.
- 8.4 Except as provided in Condition 10, payments in respect of the Bonds will be made without deduction of any tax.
- 8.5 Where payments of principal under the Bonds have been duly and fully made according to these Conditions, the outstanding debt under the Bonds shall be deemed to have been reduced in proportion to the amount of principal repayment.
- 8.6 All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Conditions 9.1 and 10. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

## **9. Redemption for Tax Reasons; Repurchase of Bonds**

### **9.1 Redemption for tax reasons**

- (a) The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time after the third anniversary of the Issue Date, on giving not less than 30 (thirty) or more than 60 (sixty) days' notice in accordance with Condition 19 (which notice shall be irrevocable), at their Redemption Amount, together with accrued interest, if any, if the Issuer has or will become obligated to pay additional interest on such Bonds pursuant to Condition 10 as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the Issue Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; *provided* that no such notice of redemption shall be given earlier than 90 (ninety) days prior to the earliest date on which the Issuer would be obligated to pay such additional interest were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 9.1, the Issuer shall deliver to the Bondholders' Representative (A) a certificate signed by an officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) a legal opinion, from lawyers of recognised standing in the United States, to the effect that the Issuer has or will become obligated to pay such additional interest as a result of such change or amendment.
- (b) The Issuer shall not be entitled to redeem the Bonds prior to the Maturity Date otherwise than as provided in this Condition 9.1.

- 9.2 The Issuer shall have the right to repurchase the Bonds at any time from the secondary market or other sources. However, if the Issuer makes a tender offer for repurchasing the Bonds in general, the Issuer shall make a tender offer to all Bondholders and repurchase the Bonds from all Bondholders who wish to sell their holdings, equally in proportion to the number of Bonds offered for sale by them.
- 9.3 After the Issuer has repurchased any of the Bonds, the debt under such Bonds shall be extinguished due to a merger of debts under Thai law, and the Issuer may not further offer such Bonds for sale. In this regard, the Issuer shall advise the Registrar to cancel the Bonds, and also advise without delay the secondary market and the Office of the SEC of the Bond repurchase according to the relevant notifications and laws.

## 10. Taxation

- 10.1 The Issuer will, subject to the exceptions and limitations set forth below, pay as additional amounts to the holder of any Bond that is a Non-United States Person such amounts as may be necessary so that every net payment on such Bond, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States, will not be less than the amount provided in such Bond to be then due and payable. However, the Issuer will not be required to make any such payment of additional amounts for or on account of:
- (a) any tax, assessment or other government charge that would not have been imposed but for (A) the existence of any present or former connection between a Bondholder (or between a fiduciary, settlor or beneficiary of, or a person holding a power over, such holders, if such holder is an estate or a trust, or a member or shareholder of such holder, if such holder is a partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, person holding a power, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in trade or business or present therein or having or having had a permanent establishment therein or (B) such Bondholder's past or present status as a personal holding company, foreign personal holding company, foreign private foundation or other foreign tax-exempt organisation with respect to the United States, passive foreign investment company, controlled foreign corporation or as a corporation that accumulates earnings to avoid United States federal income tax; or
  - (b) any withholding or deduction imposed on a payment to an individual and required to be made pursuant to European Union Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 21 January 2003 on the taxation of savings income (the **Directive**) or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (c) a holder who would have been able to avoid such withholding or deduction imposed under (b) above by satisfying any statutory or procedural requirements including, without limitation, the provision of information; or
  - (d) any estate, inheritance, gift, sales, transfer, excise, wealth or personal property tax or any similar tax, assessment or other governmental charge; or



- (e) any tax, assessment or other governmental charge that would not have been imposed but for:
  - (i) the presentation by the holder of a Bond for payment more than 30 (thirty) days after the Relevant Date; or
  - (ii) a change in law, regulation or administrative or judicial interpretation that becomes effective more than 15 (fifteen) days after the payment becomes due or is duly provided for, whichever occurs later; or
- (f) any tax, assessment or other governmental charge that is payable otherwise than by deduction or withholding from a payment on a Bond; or
- (g) any tax, assessment or other governmental charge required to be deducted or withheld by any paying agent from a payment on a Bond, if such payment can be made without such deduction or withholding by any other paying agent; or
- (h) any tax, assessment or other governmental charge that would not have been imposed but for a failure to comply with applicable certification, documentation, identification, information or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or the beneficial owner of a Bond if such compliance is required by statute or regulation of the United States or by a tax treaty of the United States, as a precondition to relief or exemption from such tax, assessment or other government charge; or
- (i) any tax, assessment or other governmental charge imposed on a holder that actually owns or is deemed to own 10 (ten) per cent. or more of the combined voting power of all classes of stock of the Issuer or that is a controlled foreign corporation related to the Issuer through stock ownership or by reason of the holder being a bank that has invested in a Bond as an extension of credit in the ordinary course of its trade or business; or
- (j) a payment on a Bond to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner would not have been entitled to the additional interest had such beneficiary, settlor, member or beneficial owner been the holder of such Bond; or
- (k) any combination of sub-paragraphs (a) to (j) above.

10.2 Notwithstanding Condition 10.1 above, all payments of principal and interest or any other payment in relation to the Bonds will be made free and clear from any present and future taxes, levies, duties, withholdings or other deductions of whatever nature by or within Thailand or any authority therein or thereof having the power of tax, unless such withholding or deduction is required by Thai law.

## **11. Prescription**

Claims for principal shall become void unless the relevant Bonds are presented for payment in accordance with Condition 8.1 within 10 (ten) years of the applicable Redemption Date. Claims

for interest shall become void unless the relevant are presented for payment in accordance with Condition 8.2 within 5 (five) years of the applicable Interest Payment Date.

## 12. Events of Default

12.1 "**Event of Default**" with respect to a Bond means any one of the following events (whatever the reason for such event of default and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) *Non-payment of interest*: default in the payment of any interest upon any Bonds, when and as it becomes payable, and continuance of such default for a period of 30 (thirty) days; or
- (b) *Non-payment of principal*: default in the payment of principal or premium, if any, on any Bonds when and as it becomes payable; or
- (c) *Breach of other obligations*: default in the performance or observance of any covenant or agreement of the Issuer in these Conditions or the Bondholders' Representative Appointment Agreement and continuance of such default for a period of 90 (ninety) days after there has been given, to the Issuer by the Bondholders' Representative or by the holders of at least 25 (twenty-five) per cent. in principal amount of the Bonds outstanding (as defined in the Bondholders' Representative Appointment Agreement), a written notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or
- (d) *Insolvency*: the entry of a decree or order for relief in respect of the Issuer by a court having jurisdiction in the premises in an involuntary case under the U.S. Federal bankruptcy laws, as now or hereafter constituted, or any other applicable U.S. Federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or other similar official) of the Issuer or substantially all of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a period of 90 (ninety) consecutive days; or
- (e) *Voluntary insolvency*: the commencement by the Issuer of a voluntary case under the U.S. Federal bankruptcy laws, as now or hereafter constituted, or any other applicable U.S. Federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by it to the entry of an order for relief in an involuntary case under any such law or to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of the Issuer or for substantially all of its property, or the making by it of an assignment for the benefit of its creditors.

12.2 Subject to these Conditions, upon an occurrence of the Event of Default, if:

- (a) the Bondholders' Representative deems it appropriate; or

- (b) upon receipt by the Bondholders' Representative of a written request from a Bondholder or Bondholders whose individual holdings or aggregate holdings amount to no less than 25 (twenty-five) per cent. of the total outstanding principal amount of Bonds; or
- (c) the Bondholders' Representative has obtained a resolution from the Bondholders' meeting approving the declaration of the principal of all Bonds to be due and payable;

the Bondholders' Representative shall notify the Issuer in writing of the Event of Default and deliver to the Issuer written notice that it elects to declare the principal of all Bonds to be due and payable, and on the 30th (thirtieth) day after such notice shall be delivered to the Issuer, the principal of and accrued interest on such Bonds shall become due and payable, unless prior to that time all such defaults thereto existing have been cured.

12.3 Upon the indebtedness of the Issuer becoming due and payable under Condition 12.2:

- (a) the Bondholders' Representative shall do all lawful acts required to cause the Issuer to make payment of all of the debt under the Bonds which is outstanding and unpaid as soon as possible, including taking action to institute legal proceedings against the Issuer if required; and
- (b) each Bondholder shall be entitled to institute legal proceedings against the Issuer on its own to enforce repayment of the debt under the Bonds which is outstanding and unpaid to him after 30 (thirty) days from the date the Bondholders' Representative notified the Issuer in writing to make payment of all of the debt under all of the Bonds pursuant to Condition 12.2, provided, that no payment of the outstanding debt has been made to him and, at the time the Bondholder institutes legal proceedings, the Bondholders' Representative has not yet taken legal action against the Issuer for repayment of the outstanding debt.

12.4 At any time after such a declaration of acceleration of the Bonds has been made, the holders of a majority in principal amount of the outstanding Bonds, by written notice to the Issuer, may, on behalf of all Bondholders, waive such event of default and rescind and annul such declaration and its consequences if:

- (a) the Issuer has paid or deposited with the Bondholders' Representative a sum sufficient to pay:
  - (i) all overdue instalments of interest on such Bonds;
  - (ii) the amounts of principal (and premium, if any,) on such Bonds that have become due otherwise than by such declaration of acceleration and interest thereon at the Interest Rate;
  - (iii) to the extent that payment of such interest is lawful, interest upon overdue instalments of interests on each such Bond at the Interest Rate;
  - (iv) all sums paid or advanced by the Registrar and the reasonable compensation, expenses, disbursements and advances of the Bondholders' Representative and

the Registrar; *provided, however* that all sums payable under this sub-paragraph (iv) shall be paid in U.S. dollars; and

- (b) all defaults and events of default with respect to such Bonds, other than the non-payment of principal of and interest on the Bonds that have become due solely by such declaration of acceleration, have been cured or waived.

No such rescission and waiver shall affect any subsequent default or impair any right consequent thereon.

### **13. Application of Proceeds**

The Bondholders agree that any sum received or recovered by the Bondholders' Representative as a result of claims made against the Issuer in respect of the enforcement of rights of the Bondholders under the Bond Documents shall be applied in the following order:

- (a) firstly, towards payment of any unpaid Expenses (as defined in the Bondholders' Representative Appointment Agreement);
- (b) secondly, towards payment of any unpaid remuneration of the Bondholders' Representative as specified in the Bondholders' Representative Appointment Agreement;
- (c) thirdly, towards payment to the Bondholders of any interest due and unpaid on the Bonds, pro rata among them in accordance with the outstanding principal amount of Bonds held by each Bondholder up to the date of payment;
- (d) fourthly, towards payment to the Bondholders of the outstanding principal amount of the Bonds, pro rata between them in accordance with the outstanding principal amount of Bonds held by each Bondholder; and
- (e) fifthly, to the extent any balance remains, such balance is to be paid to the Issuer without unreasonable delay.

### **14. Meetings of Bondholders**

14.1 The Issuer or the Bondholders' Representative has the right to call a meeting of Bondholders at any time. However, the Bondholders' Representative shall convene a meeting of Bondholders without delay within 30 (thirty) days of the date on which Bondholders whose individual or aggregate holdings amount to at least 25 (twenty-five) per cent. of the total number of units of unredeemed Bonds make a request in writing to the Bondholders' Representative to convene a meeting of Bondholders or on the occurrence of any of following:

- (a) an Event of Default has occurred and the Bondholders' Representative has not delivered a written notification to the Issuer to make payment for the outstanding debt under the Bonds pursuant to Condition 12.2;
- (b) a request for an amendment to the material contents of these Conditions as provided in Condition 17.1;

- (c) a replacement of the existing Bondholders' Representative is required, unless a written request is made to approve a change of the Bondholders' Representative pursuant to Condition 16.3(b); or
  - (d) an event which the Bondholders' Representative or Bondholders whose individual or aggregate holdings amount to at least 25 (twenty-five) per cent. of the total number of units of unredeemed Bonds (through a written notice to the Bondholders' Representative) consider may affect their interests or the capability of the Issuer to comply with these Conditions.
- 14.2 A resolution duly passed by a meeting of Bondholders, if such meeting is duly convened and conducted, shall have force and effect and bind all Bondholders, irrespective of their attendance or non-attendance at the meeting. In this regard, the rules for the Bondholders' meetings shall be in accordance with Attachment No. 2 to these Conditions.
- 14.3 The Issuer shall be responsible for all expenses relating to the holding of a meeting of Bondholders, whether such meeting is called by the Issuer or by the Bondholders' Representative.

## **15. Powers, Duties and Responsibilities of the Bondholders' Representative**

- 15.1 The Bondholders' Representative shall not be liable to the Bondholders for any losses, liabilities, costs, claims, actions, damages, expenses or demands which any of the Bondholders may incur, or which may be made against any of the Bondholders in connection with the performance of its duty, except for any damage arising from or as a result of or in relation to any misconduct, willful default, negligence, fraud, bad faith or breach of any provisions of the Bondholders' Representative Appointment Agreement and the Conditions by the Bondholders' Representative or by any of its officers, employees or agents, in which case, the Bondholders' Representative shall indemnify the Bondholders against any reasonable losses, liabilities, costs, claims, actions, damages, expenses or demands which any of the Bondholders may incur, or which may be made against any of the Bondholders, as a result of or in relation to any misconduct, willful default, negligence, fraud, bad faith or breach of any provisions of the Bondholders' Representative Appointment Agreement and the Conditions by the Bondholders' Representative or by any of its officers, employees or agents.
- 15.2 In addition to the powers, duties and responsibilities of the Bondholders' Representative as prescribed by Thai law, the Bondholders' Representative shall have the following powers, duties and responsibilities:
- (a) to make arrangements as provided in this Condition 15.2 and otherwise as provided in these Conditions. If the Bondholders' Representative is entitled to exercise its discretion under these Conditions, the Bondholders' Representative may exercise its discretion freely, taking into account the interests of Bondholders;
  - (b) to make agreements with the Issuer on the following matters without consent from a meeting of Bondholders:
    - (i) amendments to these Conditions and/or agreements relating to the Bonds on issues which the Bondholders' Representative considers as being of benefit to Bondholders or not adversely affecting their rights and benefits;

- (ii) amendments to the Conditions and/or agreements relating to the Bonds on issues which the Bondholders' Representative considers as being correction of any manifest error; and
  - (iii) to abstain from taking action under Condition 12.3 following the occurrence of an Event of Default and to grant a waiver of any such Event of Default if the Bondholders' Representative considers that this is appropriate, taking into account the interests of the Bondholders.
- (c) to accept into its custody documents and assets which the Bondholders' Representative is required to take on behalf of Bondholders pursuant to these Conditions and/or agreements relating to the Bonds;
  - (d) to participate in each meeting of Bondholders and offer its opinions to the meeting on measures that may be taken if the Issuer does not comply with these Conditions or on issues which have or may have a significant effect on the interests of Bondholders;
  - (e) to make a report for delivery without delay to Bondholders on important matters which have been carried out pursuant to the powers and duties of the Bondholders' Representative; and
  - (f) if the Bondholders' Representative lacks legal qualifications to act as the Bondholders' Representative and the Bondholders' Representative is unable to obtain the legal qualifications to act as the Bondholders' Representative within 60 (sixty) days of the date that the Bondholders' Representative becomes aware of its lack of qualifications, the Bondholders' Representative shall immediately notify the Issuer in writing and the Issuer must nominate a person who shall take over the duties of Bondholders' Representative as its replacement and call a meeting of Bondholders pursuant to Condition 14.1(c) without delay.
- 15.3 The Bondholders' Representative shall perform its duties with honesty and care to protect the interests of Bondholders. However, the Bondholders' Representative shall not be liable to any person for any damage incurred as a result of its performance of duties based on its reliance on a certificate issued by an authorized representative of the Issuer or an opinion, advice or information specifically prepared by an advisor to the Bondholders' Representative, if such reliance is in good faith and the Bondholders' Representative takes such care as may be expected from a person operating as the Bondholders' Representative even though it is later found that such certificate, opinion, advice or information is defective or untrue.

## **16. Appointment and Change of the Bondholders' Representative**

- 16.1 The Issuer has appointed The Siam Commercial Bank Public Company Limited which has all the qualifications as required by relevant Thai laws to act as Bondholders' Representative, with approval from the Office of the SEC. The Bondholders shall be deemed to have given their consent to the Issuer for the appointment of The Siam Commercial Bank Public Company Limited as Bondholders' Representative.
- 16.2 A change of Bondholders' Representative is required if:

- (a) the Bondholders' Representative lacks the requisite qualifications to act as Bondholders' Representative and the Bondholders' Representative is unable to obtain the requisite qualifications to act as the Bondholders' Representative within 60 (sixty) days from the date that the Bondholders' Representative becomes aware of its lack of the qualifications; or
- (b) a meeting of Bondholders resolves to change the Bondholders' Representative as the meeting considers that the Bondholders' Representative has not performed its duties professionally or efficiently; or
- (c) the Bondholders' Representative breaches the terms and conditions contained in the Bondholders' Representative Appointment Agreement or these Conditions, and such breach has not been rectified within a period of 30 (thirty) days from the date of a written notice thereof from the Issuer to the Bondholders' Representative; or
- (d) the Bondholders' Representative terminates its appointment according to the procedures specified in the Bondholders' Representative Appointment Agreement; or
- (e) the Issuer terminates the appointment of the Bondholders' Representative according to the procedures specified in the Bondholders' Representative Appointment Agreement.

16.3 If a change of the Bondholders' Representative is required under Condition 16.2, the Bondholders' Representative or the Issuer shall either:

- (a) call a meeting of Bondholders to pass a resolution approving a change of Bondholders' Representative and the appointment of another person nominated by the Issuer to assume the duties of Bondholders' Representative; or
- (b) issue a written request to each Bondholder for approval of a change of the Bondholders' Representative and the appointment of another person nominated by the Issuer to assume the duties of Bondholders' Representative. If no Bondholders whose individual or aggregate holdings amount to more than 10 (ten) per cent. of the total number of units of unredeemed Bonds have filed a written objection within a period of 30 (thirty) days from the date of issue of the written request by the Issuer, it shall be deemed that all the Bondholders have given approval for a change of the Bondholders' Representative from the current incumbent to the person nominated by the Issuer in such written request.

If a change of Bondholders' Representative is required under these Conditions for whatever reason, the existing Bondholders' Representative must continue to perform its duties to protect the interests of Bondholders in accordance with these Conditions until the new Bondholders' Representative assumes its duties as Bondholders' Representative.

16.4 The Issuer shall request approval from the Office of the SEC for a change of Bondholders' Representative pursuant to any relevant notifications and laws which are in force at the time. After the Issuer has completed arrangements regarding appointment of the new Bondholders' Representative, the Issuer shall notify the Bondholders of such appointment within 30 (thirty) days and the existing Bondholders' Representative shall without delay hand over the assets and all relevant documents to the newly-appointed Bondholders' Representative and fully provide its

cooperation to the newly-appointed Bondholders' Representative to ensure an orderly transition and enable the assumption of duties by the newly-appointed Bondholders' Representative.

**17. Amendment to the Conditions**

17.1 Subject to Conditions 15.2(b)(i) and 15.2(b)(ii), any amendment to these Conditions shall require approval from a meeting of the Bondholders. Notwithstanding the foregoing, any amendment to the Conditions shall require approval from the Issuer.

17.2 The Issuer shall deliver the amended Conditions to the Bondholders' Representative, the Registrar and the Office of the SEC within 15 (fifteen) days from the date of such amendment and to the Bondholders upon request.

**18. Request for Issuance of New Bond Certificates**

If any Bond Certificate is lost, torn or damaged, the Bondholder whose name appears in the Register is entitled to file an application with the Registrar for the issue of a new Bond Certificate and shall pay a fee and reasonable costs as prescribed by the Registrar. The Registrar shall issue a new Bond Certificate to the Bondholder within 30 (thirty) days from the date of receipt by the Registrar of the application for the issue of a new Bond Certificate and other documents as required by the Registrar, and the Registrar shall enter the cancellation of the existing Bond Certificate in the Register accordingly.

**19. Notices**

All notices to the Bondholders will be valid if sent by registered mail to the Bondholders' Representative and the Registrar, and the Registrar distributes such mail to the Bondholders at their respective addresses recorded in the records of Securities Depository Center and/or the Register, as the case may be. Notices by the Bondholder(s) shall be sent in writing by registered post or by hand delivery to the Registrar. Any notice shall be deemed to have been given on the date of the notice.

**20. Effectiveness of the Conditions and the Applicable Laws**

20.1 Effectiveness of the Conditions

These Conditions shall take effect from the Issue Date until the date on which all the Bonds are redeemed.

20.2 Governing Law

The Bonds and these Conditions shall be governed by and interpreted in accordance with the laws of Thailand. If any provision of these Conditions is inconsistent with the provisions of any applicable laws or SEC notifications which are applicable to the Bonds, the provisions of such applicable laws or SEC notifications shall prevail.

20.3 Jurisdiction



With respect to any legal action or proceedings (the **Proceedings**) in the courts of Thailand arising out of or in connection with any Bonds, the Issuer irrevocably submits to the non-exclusive jurisdiction of the courts of Thailand and waives any objection to Proceedings in such court on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

#### 20.4 Process agent

The Issuer designates Citicorp Securities (Thailand) Limited (now at 82 North Sathorn Road, 18th and 29th Floor, Sengthong Thani Tower, Silom, Bangkok 10500, Thailand) (the **Issuer's Local Office**) as its place for service of process and receipt of letters, orders or any other documents relating to the Debentures in Thailand. If for any reason such Issuer's Local Office shall be closed or changed, the Issuer shall forthwith appoint a new designee and/or agent in Thailand and deliver to the Bondholders' Representative and the Registrar a copy of the new designee's acceptance of that appointment within 30 (thirty) days of such closure or change.

### 21. **Currency Indemnity**

If any sum due from the Issuer in respect of the Bonds or any order or judgment given or made in relation thereto has to be converted from the currency (the **first currency**) in which the same is payable under these Conditions or such order or judgment into another currency (the **second currency**) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Bonds, the Issuer shall indemnify each Bondholder, on the written demand of such Bondholder addressed to the Issuer and delivered to the Issuer or to the office of the Bondholders' Representative, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Bondholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

### 22. **Consolidation or Merger**

- (a) The Issuer shall not consolidate with or accept a merger of any other corporation into the Issuer or permit the Issuer to be merged into any other corporation, or sell other than for cash or lease or convey, all or substantially all its assets to another corporation or purchase all or substantially all the assets of another corporation unless:
  - (i) either the Issuer shall be the continuing corporation, or the successor, transferee or lessee corporation (if other than the Issuer) shall expressly assume the due and punctual payment of the principal of (and premium, if any) and interest (including all additional interest, if any, payable pursuant to Condition 10) on all the Bonds and the performance of all the covenants and conditions on the part of the Issuer to be performed or observed;

- (ii) the successor, transferee or lessee corporation (if other than the Issuer) shall agree to indemnify each Bondholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of such corporation's residence for tax purposes and, if different, of its incorporation with respect to any Bond and which would not have been so imposed had the actions contemplated by this Condition 22(a) not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to such actions;
- (iii) immediately after giving effect to such transaction the Issuer or the successor, transferee or lessee corporation (if other than the Issuer) is not in material default in the performance of any covenant or condition in these Conditions or the Bondholders' Representative Appointment Agreement;
- (iv) legal opinions shall have been delivered to the Bondholders' Representative from lawyers of recognised standing in each jurisdiction referred to in (ii) above as to (x) the fulfilment of the requirements of this Condition 22(a) and (y) that the Bonds are legal, valid and binding obligations of the Issuer or the successor or transferee corporation (if other than the Issuer); and
- (v) each stock exchange and/or listing authority to which the Bonds have been admitted to listing and/or trading shall have confirmed that, following such consolidation, merger, conveyance, transfer or lease, the Bonds will continue to be admitted to listing and/or trading by such listing authority and/or stock exchange.

A purchase by a Subsidiary of all or substantially all of the assets of another corporation shall not be deemed to be a purchase of such assets by the Issuer.

- (b) Upon any consolidation with or merger into any other corporation, or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entity in accordance with Condition 22(a), the successor corporation formed by such consolidation or into which the Issuer is consolidated with or merged into shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer with the same effect as if such successor corporation had been named as the Issuer herein, and thereafter, except in the case of a lease, the predecessor corporation shall be relieved of all obligations and covenants under these Conditions, the Bonds, the Registrar Appointment Agreement and the Bondholders' Representative Appointment Agreement.

### **23. De-listing**

The Issuer shall use its best efforts to have the Bonds approved for listing with the TBMA and to maintain such listing so long as any of the Bonds are outstanding, *provided, however* that if it is impracticable or unduly burdensome, in the good faith determination of the Issuer, to maintain such listing due to changes in listing requirements occurring after the Issue Date, then application may be made to de-list the Bonds from the TBMA and the Issuer shall use its reasonable best efforts to obtain an alternative admission to listing, trading and/or quotation of the Bonds by another listing authority, exchange or system within or outside Thailand as it may decide. If such an alternative admission is not available or is, in the Issuer's opinion, unduly burdensome, such an

alternative admission will not be obtained, and the Issuer shall have no further obligation in respect of any listing, trading or quotation for the Bonds. Notice of any de-listing and/or alternative admission will be given pursuant to Condition 19.

**24. Waiver of Immunity**

The Issuer irrevocably and unconditionally:-

- (a) agrees not to claim any immunity from proceedings brought by the Bondholders' Representative or the Bondholders against the Issuer in relation to the Bonds, the Registrar Appointment Agreement and the Bondholders' Representative Appointment Agreement;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

**CITIGROUP INC.**

By: \_\_\_\_\_  
Charles E. Wainhouse  
Assistant Treasurer  
(Signed on 27 June 2008)

**Attachment No. 1**  
**Form of Bond Certificate**

PART 1

CERTIFICATE FORM  
แบบฟอร์มใบหุ้นกู้



ใบหุ้นกู้ระบุชื่อผู้ถือ ประเภทไม่ด้อยสิทธิ และมีผู้แทนผู้ถือหุ้นกู้  
Unsubordinated Bonds with a Bondholders' Representative,  
evidenced by a Name-Registered Certificate

เลขที่ทะเบียนบริษัท 2154254  
Company Registration No. 2154254  
จดทะเบียนเมื่อวันที่ 8 มีนาคม 2531  
Registered on 8 March 1988

CITIGROUP INC. (Issuer)

จัดตั้งขึ้นในมลรัฐเดลาแวร์ ประเทศสหรัฐอเมริกา  
Incorporated in the State of Delaware, The United States of America

หุ้นกู้ของบริษัท ซีทีกรุ๊ป อิงค์ ครั้งที่ 1/2551 ครบกำหนดไถ่ถอนปี พ.ศ. 2554  
BONDS OF CITIGROUP INC. NO. 1/2551 DUE B.E. 2554 (2011)

วันที่ออกหุ้นกู้	30 มิถุนายน 2551	วันครบกำหนดไถ่ถอน	4 กรกฎาคม 2554	อายุ 3 ปี 4 วัน	มูลค่าที่ตราไว้	1,000 บาท/หน่วย	จำนวนที่ออก	2,453,000 หน่วย	มูลค่ารวม	2,453,000,000 บาท
Issue Date	30 June 2008	Maturity Date	4 July 2011	Tenor 3 Years 4 Days	Face Value	1,000 Baht/Unit	Number of Issued Bonds	2,453,000 Units	Total Amount	2,453,000,000 Baht
อัตราดอกเบี้ย:	6.18% ต่อปีตลอดอายุหุ้นกู้		ชำระปีละ 2 ครั้ง	โดยชำระตามเงื่อนไขที่ระบุในข้อกำหนดสิทธิของหุ้นกู้ฉบับลงวันที่ 27 มิถุนายน 2551						
Interest Rate:	6.18% per annum throughout the terms of Bonds	Payable twice a year	Paid to Bondholder in accordance with the terms and conditions of the Bonds dated 27 June 2008.							

หุ้นกู้จะครบกำหนดไถ่ถอนในวันที่ 4 กรกฎาคม 2554  
The Bonds will be redeemed on 4 July 2011

ชื่อผู้ถือหุ้นกู้	[•]						
Name of Bondholder	[•]						
เลขทะเบียนผู้ถือหุ้นกู้	[•]	จำนวนหน่วยหุ้นกู้	[•]	หน่วย		วันที่ออกใบหุ้นกู้	[•]
Bondholder Registration No.	[•]	Number of Bonds	[•]	Units		Issue Date	[•]
เลขที่ใบหุ้นกู้	[•]	จำนวนเงิน	[•]	บาท			
Certificate No.	[•]	Total Principal Amount	[•]	Baht			

สิทธิที่จะได้รับชำระหนี้ของผู้ถือหุ้นกู้ตามใบหุ้นกู้ฉบับนี้ อยู่ในลำดับหลังสิทธิของเจ้าหนี้ที่มีประกันรายอื่นของบริษัท และมีสิทธิเท่าเทียมกับเจ้าหนี้ที่ไม่ด้อยสิทธิและไม่มีการประกันของบริษัท  
The rights of the Bondholders to all payments under this Certificate shall be subordinated to the rights of other secured creditors of the Issuer and shall rank pari passu with the rights of other unsubordinated and unsecured creditors of the Issuer.

เนื่องจากบริษัทได้รับอนุญาตให้เสนอขายหุ้นกู้ที่ออกใหม่แก่ผู้ลงทุนสถาบัน ตามประกาศคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์ที่ กย. 40/2549 ฉบับลงวันที่ 15 พฤศจิกายน พ.ศ. 2549 (ตามที่ได้มีการแก้ไข) ดังนั้น บริษัท และ/หรือ นายทะเบียนหุ้นกู้จึงขอสงวนสิทธิที่จะไม่รับจดทะเบียนการโอนหุ้นกู้ไม่ว่าทอดใด ๆ ให้แก่บุคคลอื่นที่ไม่ใช่ผู้ลงทุนสถาบันตามประกาศดังกล่าว  
Since the Issuer has been permitted to offer and sell the newly issued Bonds to qualified institutional investors under the Notification of the Securities and Exchange Commission No. Gor Yor. 40/2549 dated 15 November 2006 (as amended), the Issuer and/or the Registrar hereby reserve the right not to register any transfer of Bonds to any person other than such qualified institutional investors under the said Notification.

นายทะเบียนหุ้นกู้  
Registrar

ใบนี้ขึ้นอยู่กับข้อกำหนดและเงื่อนไขของพันธบัตรฉบับวันที่ 27 มิถุนายน 2551 และ/หรือ ที่จะแก้ไขเพิ่มเติมต่อไปภายหลัง This Certificate is subject to the Terms and Conditions of the Bonds dated 27 June 2008 (**Conditions**) of the Bonds and/or any amendment as may be made to the Conditions at a later date.

สรุปสาระสำคัญของข้อกำหนดและเงื่อนไขของพันธบัตร / Summary of the Conditions

- พันธบัตรนี้เป็นพันธบัตรระบุชื่อผู้ถือ / These Bonds are unsubordinated with a Bondholders' Representative, evidenced by a name-registered certificate.
  - นายทะเบียนพันธบัตร: บริษัท ศูนย์รับฝากหลักทรัพย์ (ประเทศไทย) จำกัด ซึ่งมีสำนักงานตั้งอยู่ที่ ชั้น 2 อาคารวิทยากรตลาตต 2/7 หมู่ 4 (โครงการอนุรักษ์) ถนนวิภาวดีรังสิต แขวงทุ่งสองห้อง หลักสี่ กรุงเทพฯ 10210  
Registrar: Thailand Securities Depository Company Limited, whose office is located at 2nd Floor, Capital Market Academy Building, 2/7 Moo 4 (North Park Project), Vibhavadi-Rangsit Road, Tung Song Hong, Laksi, Bangkok 10210
  - ผู้แทนผู้ถือพันธบัตร: ธนาคารไทยพาณิชย์ จำกัด (มหาชน) สำนักงานใหญ่ เลขที่ 9 ถนนรัชดาภิเษก แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10900  
Bondholders' Representative: The Siam Commercial Bank Public Company Limited, Head Office at 9 Ratchadaphisek Road, Chatuchak, Bangkok 10900.
- ระยะเวลาในการคำนวณดอกเบี้ยและวิธีการในการชำระดอกเบี้ยและไถ่ถอนพันธบัตร / Interest Calculation Period and Procedures for Interest Payment and Redemption of Bonds.
  - การกำหนดวันชำระดอกเบี้ย มีการกำหนดชำระดอกเบี้ยปีละ 2 ครั้ง ทุกวันที่ 30 มิถุนายน และ 30 ธันวาคม ของทุกปีตลอดอายุพันธบัตร (เว้นแต่วันชำระดอกเบี้ยงวดสุดท้าย วันครบกำหนดชำระดอกเบี้ยของพันธบัตร จะตรงกับวันที่ 4 กรกฎาคม 2554 (ไม่ใช่วันที่ 30 มิถุนายน 2554) โดยหากวันครบกำหนดชำระดอกเบี้ยไม่ตรงกับวันทำการของธนาคารพาณิชย์ ให้เลื่อนวันชำระดอกเบี้ยเป็นวันทำการถัดไป /Interest payment shall be made twice a year on 30 June and on 30 December of each year throughout the term of the Bonds (save for the last Interest Payment Date which shall be payable on 4 July 2011 (and not 30 June 2011)). If the due date for payment of interest is not a Business Day, such payment shall be made on the following Business Day.
  - บริษัทจะดำเนินการให้ชำระหนี้เงินเป็นเช็คจ่ายดอกเบี้ยตามข้อ 2.1 แต่ละงวด ให้แก่ผู้ถือพันธบัตร โดยชำระเป็นเช็คขีดคร่อมส่งทางไปรษณีย์ลงทะเบียนตามเงื่อนไขที่ระบุในข้อกำหนดลิขสิทธิ์ / The Issuer will cause the Registrar to pay interest, as specified in Clause 2.1, for each period to the Bondholders by delivering crossed cheques via registered mail in accordance with the Conditions.
  - การไถ่ถอนพันธบัตร / Redemption of Bonds
    - ในกรณีเป็นระบบมีใบพันธบัตร ให้ผู้ถือพันธบัตรยื่นใบพันธบัตรให้แก่ผู้ถือพันธบัตรโดยผ่านนายทะเบียนพันธบัตร ณ สำนักงานใหญ่ของนายทะเบียนพันธบัตรอย่างช้าภายในวันครบกำหนดไถ่ถอนพันธบัตร โดยบริษัทจะดำเนินการให้นายทะเบียนพันธบัตรเป็นผู้จ่ายเงินต้นและดอกเบี้ยงวดสุดท้ายให้แก่ผู้ถือพันธบัตรตามที่ปรากฏรายชื่ออยู่ในทะเบียนผู้ถือพันธบัตร ณ วันมีผลสมบูรณ์ของทะเบียน เพื่อกำหนดสิทธิของผู้ถือพันธบัตรในการรับชำระเงินต้นและดอกเบี้ยงวดสุดท้ายในวันครบกำหนดไถ่ถอนพันธบัตร โดยการชำระดังกล่าวจะใช้วิธีเดียวกับที่ระบุไว้ในข้อ 2.2 ข้างต้น
    - In case of a Bond represented by a Certificate, the Bondholder shall surrender the Certificate to the Issuer through the Registrar at the head office of the Registrar no later than the Maturity Date. In this connection, the Issuer shall cause the Registrar to make payment of the principal and the last interest amount on the Maturity Date in the manner set out in item 2.2 above to the Bondholders whose names appear in the register of the Bondholders as at the closing date of the register for the purpose of determining the names of the Bondholders who are entitled to receive payment of principal and the last interest amount.
    - ในกรณีเป็นระบบไม่มีใบพันธบัตร (SCRIPLESS) บริษัทจะดำเนินการให้นายทะเบียนพันธบัตรเป็นผู้จ่ายเงินต้นและดอกเบี้ยงวดสุดท้ายให้แก่ผู้ถือพันธบัตรที่อยู่ในระบบไม่มีใบพันธบัตร ณ วันมีผลสมบูรณ์ของทะเบียน เพื่อกำหนดสิทธิของผู้ถือพันธบัตรในการรับชำระเงินต้นและดอกเบี้ยงวดสุดท้ายตามที่ปรากฏรายชื่อที่ได้รับแจ้งจากบริษัท ศูนย์รับฝากหลักทรัพย์ (ประเทศไทย) จำกัด โดยการชำระเงินดังกล่าวจะใช้วิธีเดียวกับที่ระบุไว้ในข้อ 2.2 ข้างต้น ทั้งนี้ บริษัท โดยนายทะเบียนพันธบัตรจะต้องได้รับใบพันธบัตรหรือใบรับที่ชี้แทนใบพันธบัตรคืนจากศูนย์รับฝากหลักทรัพย์แล้วซึ่งศูนย์รับฝากหลักทรัพย์จะส่งใบพันธบัตรหรือใบรับเพื่อชี้แทนใบพันธบัตรก่อนวันถึงกำหนดชำระเงินก็ได้ โดยนายทะเบียนพันธบัตรจะออกหนังสือให้ไว้เป็นหลักฐาน
    - In case of a Bond in scripless form, the Issuer shall cause the registrar to make payment of principal and last interest amount in the same manner as those set out in item 2.2 above to the Bondholders in the scripless form whose names appear in a list notified by Thailand Securities Depository Company Limited as at the closing date of the register of the Bondholders for the purpose of determining the names of the Bondholders who are entitled to receive payment of principal and the last interest amount, provided that the Issuer through the Registrar shall have received from Thailand Securities Depository Company Limited the Certificate or the written acknowledgement of receipt used in lieu of the Certificate which may be delivered by the Thailand Securities Depository Company Limited before the due date for payment, and the Issuer and Thailand Securities Depository Company Limited shall issue a written evidence of the receipt thereof
- การปิดสมุดทะเบียนผู้ถือพันธบัตร / Closure of the register of Bondholders  
บริษัทจะดำเนินการให้นายทะเบียนพันธบัตรปิดสมุดทะเบียนผู้ถือพันธบัตรเป็นระยะเวลา 14 (สิบสี่) วันล่วงหน้าก่อนวันจ่ายดอกเบี้ยหรือวันครบกำหนดไถ่ถอนพันธบัตรตามที่กำหนดไว้ข้างต้น เพื่อทำการโอนพันธบัตรในการกำหนดสิทธิของผู้ถือพันธบัตรในการรับดอกเบี้ยและ/หรือ สิทธิในการไถ่ถอนพันธบัตร ซึ่งการปิดสมุดทะเบียนผู้ถือพันธบัตรนั้น นายทะเบียนพันธบัตรจะเริ่มปิดสมุดทะเบียนผู้ถือพันธบัตรตั้งแต่วันที่ 12.00 น. ของวันมีผลสมบูรณ์ของพันธบัตรวันแรก ถ้าวันมีผลสมบูรณ์ของพันธบัตรวันแรกไม่ตรงกับวันทำการของธนาคารพาณิชย์ ให้เลื่อนเป็นวันทำการถัดไป /The Issuer shall cause the Registrar to close the register of the Bondholders 14 (fourteen) days prior to the Interest Payment Date and the Maturity Date as specified above in order to suspend the transfer of the Bonds for the purpose of determining the names of the Bondholders who are entitled to receive payment of interest and/or redeem the Bonds. Such register shall be closed by the Registrar at 12.00 hours on the relevant date. If the first day of the closure of the register does not fall on a Business Day, the register shall be closed on the following Business Day.
- เงื่อนไขอื่น ๆ เป็นไปตามหนังสือข้อเสนอของผู้ออกพันธบัตรในการออกพันธบัตรในครั้งนั้น / Other conditions shall be in accordance with the Conditions.

<p>โปรดอ่าน Please read</p>	<p>(1) ให้ผู้ลงทะเบียนโอนพันธบัตร ทำแบบคำขอลงทะเบียนโอนพันธบัตรทุกครั้งก่อนนำพันธบัตรไปลงทะเบียนโอน Applicant for the registration of transfer of the Bond must complete an application for registration of the Bond transfer every time, and deliver such application to the Registrar.</p> <p>(2) ในกรณีที่ผู้รับโอนพันธบัตรประสงค์จะทำการรับโอนพันธบัตร ให้แนบสำเนาหนังสือรับรองของกระทรวงพาณิชย์ที่ได้ออกใหม่ไม่เกิน 1 ปี และภาพถ่ายบัตรประจำตัวประชาชนของผู้มีอำนาจลงนามไปพร้อมกับใบพันธบัตรฉบับนี้ด้วยพร้อมเอกสารอื่นใดตามที่นายทะเบียนพันธบัตรจะร้องขอ (ถ้ามี) If a transferee of the Bond wishes to take a transfer of the Bonds, it must submit to the Registrar this Certificate together with a certified copy of the affidavit issued by the Ministry of Commerce in respect of such transferee which is not more than one year old, certified copy(ies) of the I.D. card of the authorised person(s), and any other documents as may be required by the Registrar (if any).</p> <p>(3) เมื่อผู้รับโอนพันธบัตรจะทำการโอนพันธบัตร จะต้องลงลายมือชื่อแบบเดียวกับลายมือชื่อที่เคยลงไว้เมื่อรับโอนพันธบัตร กรณีเป็นนิติบุคคลและเปลี่ยนผู้ลงลายมือชื่อ ให้แนบให้แสดงหลักฐานประกอบการโอนเช่นเดียวกับข้อ 2 When a transferee wishes to transfer the Bonds, it must affix exactly the same signature as when it acquired the transfer of such Bonds. In case of a juristic person, any change of authorised signatory(ies) must be substantiated by the documents referred to in item (2) above.</p>	<p>นายทะเบียนพันธบัตร ลงลายมือชื่อผู้มีอำนาจ Authorised Signature of Registrar</p>
<p>ลงลายมือชื่อผู้โอน Signature of transferor</p>	<p>ลงลายมือชื่อผู้รับโอน Signature of transferee (ผู้ที่ต้องการลงทะเบียนเป็นชื่อผู้ถือพันธบัตรในสมุดทะเบียน) (who wishes to have its name entered into the register of Bondholders)</p>	
	<p>ชื่อ-สกุล ของผู้รับโอน (ตัวบรรจง) (Full name of transferee in block letters)</p>	
<p>1. ลงลายมือชื่อผู้โอน Signature of transferor</p>	<p>ลงลายมือชื่อผู้รับโอน (Signature of transferee)</p> <p>ตัวบรรจง (Block letters)</p>	
<p>2. ลงลายมือชื่อผู้โอน Signature of transferor</p>	<p>ลงลายมือชื่อผู้รับโอน (Signature of transferee)</p> <p>ตัวบรรจง (Block letters)</p>	
<p>3. ลงลายมือชื่อผู้โอน Signature of transferor</p>	<p>ลงลายมือชื่อผู้รับโอน (Signature of transferee)</p> <p>ตัวบรรจง (Block letters)</p>	

## **Attachment No. 2**

### **Rules Regarding Meetings of Bondholders**

#### **1. Bondholders' Meetings**

A meeting of Bondholders may be called at any time and from time to time pursuant to the following procedures under this Attachment.

#### **2. Calling Meetings**

If the Issuer or the Bondholders' Representative (as the case may be), wishes to call a meeting of the Bondholders, it must arrange for the Registrar to send notices calling the meeting by registered mail to the Issuer, the Bondholders' Representative and the Bondholders not less than 7 (seven) calendar days (excluding the date the notice is sent and the date of the meeting) before the date of the meeting. The notice calling the meeting must specify the date, time and place of the meeting, agenda of the meeting and the person requesting that the meeting be called. The Registrar must send the notice calling the meeting of Bondholders to every Bondholder according to the names and addresses that appear in the Register as at the first Business Day of the closure of the Register under Condition 4.4.

#### **3. Persons with the right to attend a meeting**

The following persons have the right to attend a meeting of Bondholders:

- (a) the Bondholders, the Issuer and the Bondholders' Representative;
- (b) any person or other Bondholder approved by a Bondholder as a proxy (**proxy**) to attend the meeting and vote on their behalf under an instrument for appointing a proxy in the form prescribed by the Registrar (available at the head office of the Registrar). A Bondholder who wishes to appoint a proxy must submit the original instrument appointing his proxy to the Registrar not less than 24 (twenty-four) hours before the time appointed for holding of a meeting of Bondholders;
- (c) a financial advisor, legal adviser or other person who has been requested by the Issuer and/or the Bondholders' Representative to attend the meeting to give any explanation and opinion to the meeting on matters to be transacted at the meeting; and
- (d) any persons permitted by the chairman of the meeting to attend the meeting as observers.

#### **4. Quorum**

- 4.1 At a meeting of Bondholders to consider and pass resolutions on matters other than those specified in Clauses 7.3 and 7.4 of this Attachment, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 25 (twenty-five) per cent. of the total number of units of unredeemed Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 4.1 is postponed under Clause 6.1(a) of this Attachment due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if

2 (two) or more Bondholders attend at that meeting irrespective of the aggregate number of units of unredeemed Bonds held by them

4.2 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 7.3 of this Attachment, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 50 (fifty) per cent. of the total number of units of unredeemed Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 4.2 is postponed under Clause 6.1(a) of this Attachment due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 25 (twenty-five) per cent. of the total number of units of unredeemed Bonds attend at that meeting.

4.3 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 6.4 of this Attachment, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 66 (sixty-six) per cent. of the total number of units of unredeemed Bonds attending the meeting to constitute a quorum. If a meeting to consider matters under this Clause 4.3 is postponed under Clause 6.1(a) of this Attachment due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 33 (thirty-three) per cent. of the total number of units of unredeemed Bonds attend at that meeting.

#### **5. Chairman of a meeting**

The Bondholders' Representative or the person authorized by the Bondholders' Representative shall be the chairman of the meeting. If the person acting as the chairman has not attended the meeting 45 (forty-five) minutes after the time appointed to hold the meeting, the meeting shall resolve to select one Bondholder to act as chairman of the meeting.

#### **6. Postponement of a meeting**

6.1 At any meeting of Bondholders, if it appears that a quorum of Bondholders is not present within 45 (forty-five) minutes after the time appointed for holding the meeting:

(a) if the Issuer or the Bondholders' Representative had requested that the meeting be convened, the chairman of the meeting shall postpone the meeting of Bondholders to be held at a date, time and place specified by the chairman, whereby the date for the new meeting must be scheduled not less than 7 (seven) days but not more than 14 (fourteen) days from the original meeting date unless the Issuer and the Bondholders' Representative agree not to call a subsequent meeting. In addition, the matters to be transacted and resolved in this subsequent meeting must be limited to the matters which were to be duly transacted in the original meeting; or

(b) if the Bondholders had requested that the meeting be convened, the chairman must order that the meeting be cancelled and there shall be no postponement of the meeting; or

(c) if the meeting was convened due to a postponement of a previous meeting due to a lack of a quorum, the chairman must order that the meeting be cancelled and there shall be no postponement of the meeting.



6.2 The Registrar must send a notice calling a subsequent meeting due to a postponement of a meeting caused by a lack of a quorum to the Issuer, the Bondholders' Representative and the Bondholders according to the names and addresses, to which the previous notices calling the meeting of Bondholders were sent, not less than 3 (three) calendar days prior to the scheduled date for the subsequent meeting (excluding the date the notices were sent and the date of the meeting), and the notice calling the meeting must specify the date, time, place for the meeting, agenda and quorum for such subsequent meeting.

## **7. Resolutions of a meeting**

7.1 The passing of resolutions on various matters at a meeting of Bondholders shall be made by a show of hands or voting by means specified by the chairman of the meeting. Each unit of unredeemed Bonds held by a Bondholder shall have one vote. Each Bondholder shall therefore have the same number of votes as the number of units of unredeemed Bonds held by him. In the case of a tied vote, the chairman of the meeting shall have a casting vote (in addition to any vote entitled to be cast by the chairman as a Bondholder or as a proxy).

7.2 Except as provided in Clauses 7.3 and 7.4 of this Attachment, the resolutions of the meeting of Bondholders, shall be passed by a majority vote which is not less than 50 (fifty) per cent. of the total number of votes of the Bondholders attending the meeting and casting their votes.

7.3 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 66 (sixty-six) per cent. of the total number of votes of the Bondholders attending the meeting and casting their votes:

- (a) any amendment of the Conditions not relevant to matters specified in Clause 7.4 of this Attachment;
- (b) any change to the Bondholders' Representative and the appointment of any person as a new Bondholders' Representative; and
- (c) following the occurrence of an Event of Default, any authorisation of the Bondholders Representative to require the Issuer to make payment of the principal together with all accrued interest under all of the Bonds under Condition 12.2.

7.4 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 75 (seventy-five) per cent. of the total number of votes of the Bondholders attending the meeting and casting their votes:

- (a) the repayment of debt under the Bonds by means of conversion of Bonds into shares, other Bonds or other assets of the Issuer or any person;
- (b) the amendment of the due date for redemption of Bonds or the due date for payment of any amount of money under the Bonds;
- (c) the reduction, cancellation or amendment of the amount of principal, interest and/or any other amount of money outstanding or to be paid under the Bonds;

- (d) a change in the currency denomination of any amount of money to be paid under the Bonds;
- (e) an amendment to the rules regarding meetings of Bondholders relating to the quorum requirements (Clause 3 of this Attachment) and resolutions of meetings (Clause 6 of this Attachment); and
- (f) an amendment of the Conditions in order to be able to effect any matter contemplated under Clause (a) to (e) above.

7.5 Any Bondholder who has a conflict of interest on any matter shall have no right to vote on such matter.

#### **8. Minutes of a meeting of Bondholders**

The Bondholders' Representative must prepare the minutes of a Bondholders' meeting to be signed by the chairman of such meeting within 7 (seven) Business Days from the date of the meeting and must maintain the original minutes. Copies of the minutes of a Bondholders' meetings shall be made available to be examined by the Bondholders at the head office of the Bondholders' Representative on a Business Day and time suitable to the Bondholders' Representative.

## 7. TAXATION

### 7.1 US Tax

#### (a) Introduction

**To ensure compliance with requirements imposed by the IRS, we inform you that any US federal tax discussion herein was not intended or written to be used, and cannot be used, for the purpose of avoiding US federal tax-related penalties under the US Internal Revenue Code. Any such tax discussion was written to support the promotion or marketing of the Bonds. Taxpayers should seek the advice of their own independent tax advisors based on their own particular circumstances.**

The following is a summary of certain United States federal income tax consequences of the ownership and disposition of Bonds by a beneficial owner that is not a United States person. This summary does not deal with US state or US local taxation and does not purport to cover all aspects of United States federal income tax law that may be relevant to a beneficial owner of the Bonds. This summary does not deal with beneficial owners of Bonds subject to special tax rules, including partnerships or persons who have ceased to be US citizens or to be taxed as US resident aliens. This summary is based on current US federal income tax law, which is subject to change, possibly with retroactive effect. Investors should consult their tax advisors for specific advice in light of their particular circumstances concerning the acquisition, ownership and disposition of the Bonds.

As used in this discussion, a “United States person” is a person that is for United States federal tax purposes a citizen or resident of the United States; a corporation created or organized in or under the laws of the United States or any political subdivision of the United States; an estate the income of which is subject to United States federal income taxation regardless of its source; or a trust if a US court is able to exercise primary supervision over the trust’s administration and one or more United States persons have the authority to control all of the trust’s substantial decisions (or any other trust that is treated as a United States person under applicable US Treasury income tax regulations). A “non-United States person” is a person other than a United States person.

#### (b) Documentation Required in Order to Obtain an Exemption from Withholding Tax

A 30 per cent. United States federal withholding tax will generally apply to payments of interest on the Bonds to a non-United States person, unless such beneficial owner of a Bond takes one of the steps below to obtain an exemption from or reduction of the tax. The 30 per cent. tax, however, may be allowed as a credit against the beneficial owner's United States federal income tax liability, if any, or refunded to the beneficial owner upon the timely filing of an appropriate US federal tax return with the IRS in the United States. In addition, if a beneficial owner of a Bond does not properly provide the required documentation, or if such documentation is not properly transmitted to and received by the United States person required to withhold United States federal income tax, the beneficial owner could, in certain circumstances, be subject to a backup withholding tax (currently at a rate of 28 per cent.) and will not be entitled to any additional amounts from Citigroup described under "Condition 9 (Taxation)". To the extent required, the payment of interest on the Bonds will be reported to the registered owners and to the IRS on IRS Forms 1042 and 1042-S, as appropriate.

- (i) *Non-United States Persons.* A beneficial owner of a Bond that is a non-United States person can obtain an exemption from the withholding tax by providing a properly completed IRS Form W-8BEN (or any successor form). A sample of IRS Form W-8BEN is set out in Schedule 1 below. This exemption is not available to:
  - (A) a controlled foreign corporation that is directly or indirectly related to Citigroup through stock ownership;
  - (B) a person that actually or constructively owns 10 per cent. or more of the total combined voting power of all classes of stock of Citigroup that are entitled to vote; or
  - (C) a bank that has invested in the Bond as an extension of credit in the ordinary course of its trade or business.

Generally, an IRS Form W-8BEN provided without a TIN will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, an IRS Form W-8BEN signed on 30 November 2006, remains valid through 31 December 2009. An IRS Form W-8BEN furnished with a US TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the IRS Form W-8BEN (or any successor form).

- (ii) *Non-United States Persons with Effectively Connected Income.* A beneficial owner of a Bond that is a non-United States person, including a non-United States corporation or bank with a United States branch, that conducts a trade or business in the United States with which the interest income on a Bond is effectively connected, can obtain an exemption from the withholding tax by providing a properly completed IRS Form W-8ECI. Generally, an IRS Form W-8ECI will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect.
- (iii) *Non-United States Persons Entitled to Income Tax Treaty Benefits.* A beneficial owner of a Bond that is a non-United States person entitled to the benefits of an income tax treaty to which the United States is a party can obtain an exemption from or reduction of the withholding tax by providing a properly completed IRS Form W-8BEN. The availability and extent of such exemption, however, will depend upon the terms of the particular income tax treaty.

(c) United States Federal Income Tax Reporting Procedure

- (i) *Beneficial Owners.* A beneficial owner of a Bond is required to submit the appropriate IRS form under applicable procedures to the person through which the owner directly holds the Bond. For example, if the beneficial owner is listed directly on the books of the Registrar as the owner of the Bond, the IRS form must be provided to the Registrar.

- (ii) *Non-United States Persons Through Which Bonds are Held.* A non-United States person through which a Bond is held (e.g., a securities clearing organization, a bank, a financial institution, a custodian, a broker, a nominee, or any other person that acts as an agent for a beneficial owner of a Bond or otherwise holds the Bond on its behalf) generally must submit IRS Form W-8IMY to the person from which it receives payments of interest on the Bond, and may also be required to submit the IRS form of the beneficial owner of the Bond to such person and comply with other applicable procedures. Non-United States persons through which Bonds are held should consult their tax advisors regarding the tax documentation requirements applicable to them in their particular circumstances.
- (iii) *Special Rules May Apply if the Bonds are Held by a Foreign Partnership.* In the event that the Bonds are held by a foreign partnership, special rules may apply in order that payments made on the Bonds will not be subject to United States federal withholding tax. Holders should consult their tax advisors with respect to the tax consequences to them of the ownership and disposition of the Bonds through a foreign partnership.

(d) Sale or Disposition of Bonds

A beneficial owner of a Bond that is a non-United States person and that does not hold Bonds in connection with a United States trade or business generally will not be subject to United States federal income tax on gain realized on the sale, exchange, retirement or other disposition of a Bond unless the holder is an individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met.

## 7.2 Thai Tax

This summary of the Thai taxation implications of investing in the Bonds is only a guideline and is not tax advice. Prospective investors should consult their own professional advisers with regards to their potential tax liabilities resulting from an investment in Bonds including (without limitation) the effect of any local or foreign tax laws. This summary is based upon the general tax implications under the laws of Thailand in effect on the date of this document which is subject to change.

The tax liability of a prospective investor and the applicable rates of tax will depend on various factors such as whether the investor carries on business in Thailand and whether the investor is a resident of a country which has signed double tax treaty with Thailand.

The summary does not purport to be a comprehensive description of all considerations that may be relevant to the transaction.

## 7.3 Income Tax

(a) Thai Corporate Investors

(i) Interest

Interest on the Bonds payable to the Bondholders which are Thai banks, Thai financial institutions, Thai limited companies or partnerships, including foreign juristic companies or partnership which carry on business in Thailand will be subject to a withholding tax at

the rate of 1 per cent. of the gross amount of the interest payment. In this connection, such Bondholder can regard such 1 per cent. tax withheld as its tax credit to offset against its corporate income tax.

(ii) Capital Gain

Capital gains arising from a transfer of the Bonds received by the Bondholder which are Thai banks, Thai financial institutions, Thai limited companies or partnerships, including foreign juristic companies or partnerships which carry on business in Thailand will be regarded as their taxable income and subject to, on a net profit basis, corporate income tax at the rate of 30 per cent.

(b) Foreign Corporate Investors under Double Tax Treaties

(i) Interest

Interest income payable to the Bondholder which is a juristic person organised under a foreign law and does not carry on business in Thailand shall be subject to withholding tax at a rate of 15 per cent. Such withholding tax may be reduced to 10 per cent., if payable to certain Bondholders e.g., banks or financial institutions, under applicable double tax treaties which Thailand has signed with other countries.

(ii) Capital Gain

Capital gains arising from a transfer of the Bonds to a juristic person (who has a duty to withhold tax under Thai law), are subject to withholding tax at a rate of 15 per cent. Subject to the applicable provisions under certain double tax treaties, corporate investors who are the residents of certain tax treaty countries may be entitled to a full relief from withholding tax on the gain derived from the transfer of the Bonds.

#### 7.4 Specific Business Tax

Specific business tax may be imposed at the rate of 3.3 per cent. on interest and capital gains received by the Bondholder which operates, in Thailand, a banking financial, securities, credit foncier business, or other businesses with regular transactions similar to commercial banking, such as purchase and sale of negotiable instruments.

Certain Bondholders are exempt from specific business tax.

#### 7.5 Stamp Duty

The transferor is exempt from stamp duty on the transfer of Bonds.

## **8. LISTING**

Application has been made for listing of the Bonds on The Thai Bonds Market Association. The Issuer currently has no intention to list the Bonds on any other securities exchange.

## **9. SOURCE OF FUNDS FOR BOND REPAYMENT**

The Issuer plans to redeem the Bonds on the Redemption Date with funds from its ordinary capital resources.



## **10. USE OF PROCEEDS**

The net proceeds to the Issuer from the sale of the Bonds will be included in the ordinary capital resources of the Issuer and used for general corporate purposes.

## **11. FINANCIAL INSTITUTIONS AND LEGAL ADVISOR IN THAILAND**

### **FREQUENT CONTACTED FINANCIAL INSTITUTIONS ARE AS FOLLOWS:**

1. Bank of Thailand
2. Citicorp Securities (Thailand) Limited
3. The Siam Commercial Bank Public Company Limited

### **LEGAL ADVISOR**

Allen & Overy (Thailand) Co., Ltd.  
22nd Floor Sindhorn Tower III  
Lumpini, Pathumwan  
Bangkok 10330, Thailand

Tel: (66-2) 263-7600

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### **CONTACT PERSON IN THAILAND**

The Issuer has appointed Citicorp Securities (Thailand) Limited, 82 North Sathorn Road, 18th Floor, Sengthong Thani Tower, Silom, Bangkok 10500, Thailand, as its contact person in Thailand to take delivery of letters, orders, subpoenas or other documents relating to the offer for sale of the Bonds in Thailand.

### **EXTERNAL AUDITORS**

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