

Transfer of part of the Banking Business of Citibank, N.A., London Branch and Citibank Europe Plc, UK Branch to Citibank UK Limited

Scheme Summary

1. INTRODUCTION

- 1.1 Citibank, N.A., London Branch (the "**CBNA Transferor**") and Citibank Europe Plc, UK Branch (the "**CEP Transferor**" and with the CBNA Transferor, the "**Transferors**") have agreed to transfer their UK consumer deposit-taking and wealth management business (the "**Transferred Business**") to Citibank UK Limited (the "**Transferee**") (the "**Transfer**"). It is proposed that the Transferred Business be transferred to the Transferee which will carry on the Transferred Business from its place of incorporation in the UK.
- 1.2 The Transfer will be effected by way of a scheme under Part VII of the UK Financial Services and Markets Act 2000 ("**FSMA**") (the "**Scheme**"). This document provides a summary of the terms of the Scheme as required by Regulation 5(4) of the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001. The information in this document is only a summary of the Transfer and the Scheme. Any terms not defined in this document will have the meaning given in the Scheme.

2. EFFECT OF THE SCHEME

Transfer of the Business

- 2.1 Each of the clients that will transfer as part of the Transferred Business (each a "**Transferred Client**") will no longer be a client of the Transferors and will become a client of the Transferee and their relevant agreements with the Transferors in respect of the Transferred Business ("**Transferred Client Agreements**") will transfer to the Transferee as of, for a Transferred Asset or Transferred Liability, the Effective Date and for a Residual Asset or a Residual Liability, the applicable Subsequent Transfer Date (the "**Relevant Date**"). At each Relevant Date all the relevant rights and obligations of the Transferors in relation to the Transferred Business will automatically transfer to the Transferee. This means that the Transferee will be responsible for any obligations that were previously obligations of the Transferors from the Relevant Date in relation to the Transferred Business.

References and Terms and Conditions of Transferred Agreements

- 2.2 It is also necessary to change the terms and conditions of the agreements relating to the Transferred Business in order to reflect the fact that Transferred Clients will no longer be clients of the Transferors and will become clients of the Transferee as of the Relevant Date. These changes are set out at a high level below and are set out in greater detail in the Scheme.
- 2.3 References in the terms and conditions of the agreements relating to the relevant tranche of the Transferred Business to a Transferor, its location, directors, officers, representatives or employees will, from the Relevant Date, take effect as if they were

references to the Transferee, its location, directors, officers, representatives or employees.

- 2.4 On and with effect from each Relevant Date, Transferred Client Agreements with the CEP Transferor will be amended to reflect that the Transferee will be regulated by the Financial Conduct Authority's Client Assets Sourcebook ("**CASS**").
- 2.5 On and with effect from each Relevant Date, Transferred Client Agreements with the CEP Transferor will be amended to delete references to the Central Bank of Ireland and the European Central Bank as the current supervisors of CEP. These will be replaced to reflect the fact that the Transferee is authorised by the Prudential Regulation Authority (the "**PRA**") and is subject to supervision by the Financial Conduct Authority (the "**FCA**") and the PRA.

Mandates and Other Instructions

- 2.6 Any mandate or other instruction, for example an instruction to a bank in the form of a direct debit, which is in force on the Relevant Date in respect of the relevant tranche of the Transferred Business and provides for payment to be made to a Transferor will, from the Relevant Date, take effect as if it provided for payment to be made to the Transferee.
- 2.7 Any mandate or other instruction which is in force on the Relevant Date in respect of the relevant tranche of the Transferred Business and which relates to the manner of payment of any amount by a Transferor will, from the Relevant Date, continue in force as an effective authority to the Transferee.

Continuity of Proceedings

- 2.8 Any proceedings brought by or against a Transferor in connection with the relevant tranche of the Transferred Business will, from the Relevant Date, be continued with effect by or against the Transferee. Any defences, claims, counter-claims or rights of set-off that would have been available to a Transferor may be raised in such proceedings in favour of or against the Transferee.
- 2.9 From and after the Transfer, all liabilities (present or future, actual or contingent) of the Transferors in relation to the Transferred Business, or which arise as a result of the Transferors carrying out the Transferred Business, shall transfer to the Transferee.

Effect of the Scheme

- 2.10 The Transfer shall take effect and shall be valid and binding on all parties having any interest in the same notwithstanding any provision to the contrary in any agreement or arrangement with any person, including any restriction on transferring, assigning or otherwise dealing with the same and whether or not the Transferors would, apart from the terms of this Scheme, have the capacity to effect the same and in particular shall not:
 - 2.10.1 invalidate or discharge any contract, security or other thing; or
 - 2.10.2 require any further registration notification or perfection step, which would not have been necessary had the transfer envisaged pursuant to the Scheme not

taken place, in respect of any security or charge whether granted by a Transferor or any person (including any third party) (which includes any security interest including floating charges, security assignments, or other security interests; or

- 2.10.3 constitute a breach of, or default under, or require any obligation to be performed sooner or later than would otherwise be the case under any instrument or contract or arrangement to which a Transferor is a party or is bound; or
- 2.10.4 entitle any party to a contract or arrangement to which a Transferor is a party to terminate such contract or arrangement; or
- 2.10.5 confer any greater or lesser rights or benefits, or impose any greater or lesser obligations, under a contract to which a Transferor is party.

Data Protection

- 2.11 On each Relevant Date the records relating to the relevant tranche of the Transferred Business, which may include personal data, will transfer to the Transferee.
- 2.12 From the Relevant Date, the Transferors will cease to be a controller or processor (as relevant) in respect of all personal data relating to the Transferred Business and the Transferee will become a controller or processor (as relevant) instead.

3. COSTS AND EXPENSES

All costs and expenses related to the preparation of the Scheme and the related High Court of Justice of England and Wales ("**Court**") process will be borne by the Transferors and the Transferee and not by Transferred Clients.

4. AMENDMENTS TO THE SCHEME

- 4.1 The Court may amend the Scheme before approving it. Any such amendment must be agreed to by both the Transferors and the Transferee.
- 4.2 After the Court has approved the Scheme the Transferee can make changes to the Scheme with the consent of the Court, the FCA and the PRA. If the proposed changes to the Scheme affects the rights, obligations or interests of the Transferors then the Transferors must also consent before the change can be made.