

November 2018

Update on the proposed changes to our business as the UK leaves the European Union

As we continue to make progress with establishing our new UK Bank, I wanted to share with you an update on the changes we are proposing to our Citi UK Consumer business further to our initial correspondence dated October 2018.

I hope that after reading the more detailed information provided below, you will be assured that we remain dedicated to serving your banking and wealth needs.

What is changing?

In preparation for the UK's withdrawal from the European Union ("EU"), we recently wrote to you about our intentions to establish a new UK Bank, headquartered in London, and transfer our Citi UK Consumer business from Citibank Europe plc, UK Branch, headquartered in Ireland, to our newly-created UK Bank (known as the "Proposed Transfer"). The company that will become our new UK Bank is called "Citibank UK Limited".

What has happened so far?

We have already applied to the UK Regulators for permission to set up the new UK Bank and have now asked the High Court of Justice in England and Wales (the "Court") to approve the Proposed Transfer, which is currently progressing as planned. If the UK Regulators authorise the new UK Bank and the Court approves the Proposed Transfer, we intend to transfer the Citi UK Consumer business to our new UK Bank in March 2019, at which point it will be fully operational.

What this means for you

We do not anticipate any material impact to the services we provide to you. It is our intention that all of your accounts, investments and services currently held with Citibank Europe plc, UK Branch, as well as our terms and conditions, will be transferred automatically to our new, purpose-built UK Bank.

There will be some important changes to the way your deposits and investments will be protected, which are detailed in the "Changes in regulations" section below.

I would like to assure you that:

- Your investments will not be impacted in any way by the Proposed Transfer, and will remain invested in the market
- There will be no change to the way you use your accounts or Citi Debit Card
- The ways in which you currently contact us will remain the same

For more detail on the proposed changes to our business, please read our **Information and FAQs leaflet** and our updated **Terms and Conditions** which reflect the changes we outline in this leaflet. We have also provided a Guide to Changes which should be read alongside these documents and which provides information on the changes we are making to the Terms and Conditions because of the UK's withdrawal from the EU, as well as the Proposed Transfer. If the Proposed Transfer receives all relevant approvals, these Terms and Conditions will become effective on the date of the Proposed Transfer, which we expect will take place on 11 March 2019.

Changes in regulations

There will be some changes to the regulations that apply to our business as a result of the Proposed Transfer, if approved. In particular, there will be some important changes to the way your deposits and investments will be protected. Currently your eligible deposits and investments are protected under the Irish Deposit Guarantee Scheme and the Irish Investor Compensation Scheme. If the Proposed Transfer is approved they will be protected under the UK Financial Services Compensation Scheme (“**UK FSCS**”) provided your deposits and investments meet the relevant eligibility requirements and compensation limits of the UK FSCS.

The **Information and FAQs leaflet** provides further details on this on page 3. I encourage you to review it carefully and trust it will answer any immediate questions you may have.

Next steps and your right to object

We will ask the Court to make an order to transfer the current Citi UK Consumer business from Citibank Europe plc, UK Branch to our new UK Bank. If the order is approved, this means your existing accounts and terms and conditions with Citibank Europe plc, UK Branch will transfer to the new UK Bank automatically.

If you wish to review the Proposed Transfer documentation submitted to the Court, please visit **citibank.co.uk/transfer**.

Should you feel you may be adversely affected by the Proposed Transfer, you have the right to object formally and, if you wish, attend the Court hearing. Details of how to do this are also provided in the leaflet, along with some Frequently Asked Questions and details on how to close your account should you wish to as a result of the Proposed Transfer.

If, after reading the leaflet, you would like to discuss the matter further, please do not hesitate to call Citiphone on 0800 00 55 00. Alternatively, if you are a Citigold or Citigold Private Client, you can contact your Relationship Manager.

I look forward to keeping you fully informed as the process continues, and to welcoming you to our new UK Bank in the New Year.

Thank you again for choosing Citi UK Consumer for your banking and wealth management needs.

Yours sincerely,



Salman Haider
Managing Director
Head of UK Consumer Bank & International Personal Bank (EMEA)