Price Twopence.
Form No. 1 F.

Registered No. F. 18355/1

(2 docs)

"THE COMPANIES ACTS, 1908 to 1917."

LIST OF DOCUMENTS PRESENTED FOR FILING

*Insert Name of Company.

BY THE* National City Bank of New York (incorporated in the State of New York in the United States of America)

Pursuant to Section 274 of the Companies (Consolidation) Act, 1908.

Presented for filing

by Linklaters & Paines

21 Great St Helen's

E.C. 3

29/30

-4 JUN 1920

(52148) Wt. P68=3129. 500. 4/19. Sir J. C. & S. Gp. 116. B1574.

[SEE OVER.

The* National City Bank of New York

incorporated in† the United States of America

and which has a place of business in the United Kingdom, at 36 Bishopsgate,

PRESENTS FOR FILING, pursuant to Section 274 of the Companies (Consolidation) Act, 1908, the following documents :—

(1) A certified copy of the Articles of Association of the National City Bank of New York

(2) A certified copy of the By-Laws of the National City Bank of New York

(3) A certified copy of the Order of the Federal Reserve Board made at Washington on 2nd February 1916 and required under Section XXII of the above By-Laws — sanctioning the establishment of a branch of the Bank in London.

(4) Certified copy of the "Organization Certificate" of the National City Bank of New York

The Copies and Translations (if any) above mentioned must be certified in the manner prescribed in the Regulations of the Board of Trade on that behalf, published in the "London Gazette" of the 1st April, 1910.

* Insert Name of Company.

† Insert country of origin.

‡ For the particulars of the documents required to be filed, details of which are to be inserted here, see back of this form.

Reserved for binding.

Reserved for binding.

5358

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Reserved for binding.

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London, E. C. 7/8.

(B)‡

(C)‡ The name and address of a person resident in the United Kingdom authorised under Section 274 (1) (c) of the Companies (Consolidation) Act 1908.

Signature of the persons authorised under Section 274 (1) (c) of the Companies (Consolidation) Act, 1908 (see back hereof), or of some other person in the United Kingdom duly authorised by the Company.

John K. [illegible]

Date 3rd June 1920

5358

No. 8048

United States of America

DEPARTMENT OF STATE

ll to whom these presents shall come, Greeting:

ertify that the document hereunto annexed is under the Seal of the Treasury Department, and that such Seal is entitled to full faith and

In testimony whereof, I Robert Lansing Secretary of State, have hereunto caused the Seal of the Department of State to be affixed and my name subscribed by the Chief Clerk of the said Department, at the City of Washington, this 13th day of February, 1920

Robert Lansing
Secretary of State.

By Ben G. Davis
Chief Clerk.

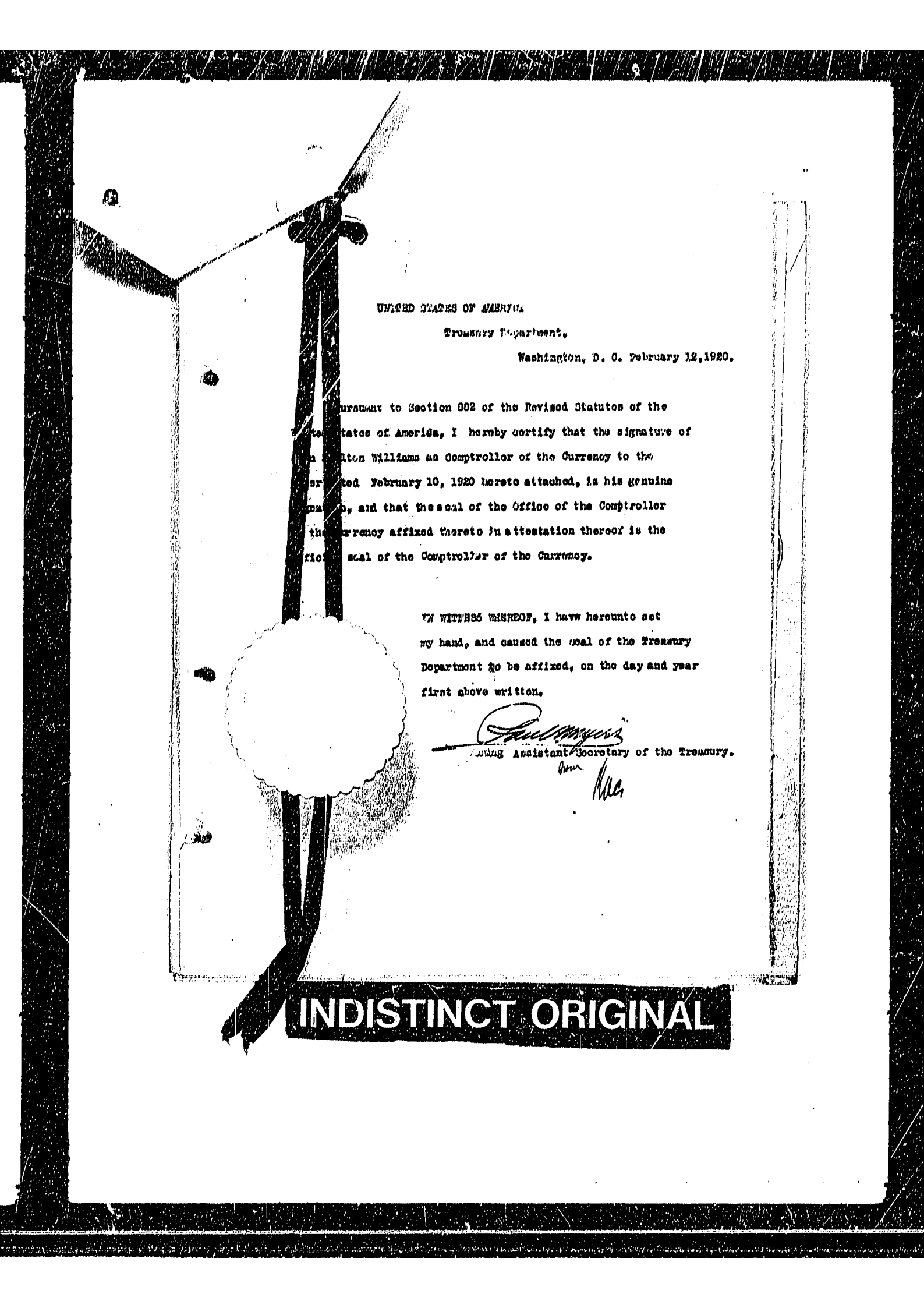
*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY.

I hereby certify the foregoing authentication of the seal of the Department of State of the United States by Ben G. Davis, Chief Clerk of the said Department, to be true and genuine

William Bowring
H. M. Vice Consul

Done at the British Vice Consulate, Washington, District of Columbia, United States of America, this 13 day of Feb A. D. 1920.

30



UNITED STATES OF AMERICA

Treasury Department,

Washington, D. C. February 12,1920.

Pursuant to Section 882 of the Revised Statutes of the United States of America, I hereby certify that the signature of [illegible] Williams as Comptroller of the Currency to the [illegible]ted February 10, 1920 hereto attached, is his genuine [illegible], and that the seal of the Office of the Comptroller [illegible]rrency affixed thereto in attestation thereof is the [illegible]cial seal of the Comptroller of the Currency.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

Acting Assistant Secretary of the Treasury.

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY.

TREASURY DEPARTMENT,
Office of the
Comptroller of the Currency. } ss:

Under the provisions of Section 884 of the Revised Statutes of the United States, I, John Skelton Williams, Comptroller of the Currency, do hereby certify that the paper hereto attached is a true and complete copy of the original Organization Certificate of The National City Bank of New York, New York, N.Y., (Charter Number 1461), except the name and residence of and the number of shares of stock held by each stock holder,

and of the whole of such original on file and of record in this Office.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this Tenth day of February, A. D. 1920.

Comptroller of the Currency.

Form 1980. -17--500.

INDISTINCT ORIGINAL

Oct
Int.Rev.Stamp
1865
July 5.
CITY BANK.

~~The National City Bank of New York.~~

Organization Certificate.

We, the undersigned, The Directors of The City Bank of New York located in the City of New York in the State of New York do hereby declare that the owners of two-thirds of the Capital Stock of said Bank have authorized the Directors of said Bank to make the necessary Organization Certificate and to change and convert the said Bank into a National Association, under the provisions of the Act of Congress entitled "An Act to provide a National Currency, secured by a pledge of United States Bonds, and to provide for the circulation and redemption thereof," approved June 3, 1864, and by virtue of said authority, and in accordance with the provisions and requirements of the forty-fourth section of said Act, we do hereby make and execute this Organization Certificate.

FIRST.

The name and title of this Association shall be THE NATIONAL CITY BANK OF NEW YORK.

SECOND.

The said Association shall be located and continued in the City of New York, County of New York and State of New York where its operations of discount and deposit are to be carried on.

THIRD.

The capital stock of this Association shall be One Million of Dollars ($1,000,000), and the same shall be divided into Ten thousand shares of One hundred Dollars each, as it is now divided in the said The City Bank of New York.

4 JUN 1920

Int. Rev. Stamp 1865 July 5, CITY BANK.

FOURTH.

The name and residence of each of the Stockholders of the said The City Bank of New York which is to become a National Bank under the provisions of the Act of Congress aforesaid, and the number of shares of One hundred Dollars each, held by each Stockholder, are as follows:

FIFTH.

This certificate is made, in order that the said The City Bank of New York, and the Stockholders thereof, may avail themselves of the advantages of the aforesaid Act, and that the said The City Bank of New York may be changed and converted into a National Banking Association under the name and title of The National City Bank of New York.

IN WITNESS WHEREOF we have hereunto set our hands, this Fifth day of July, eighteen hundred and sixty-five.

MOSES TAYLOR,
TARRANT PUTNAM,
J. H. BROWER,
LOUIS A. VAN HOFFMANN,
GEORGE GREER,
JOHN ALSTYNE,
HENRY PARISH,
JOHN J. PHELPS,
JOHN J. CISCO.

UNITED STATES OF AMERICA
STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } ss.

On this ~~ten~~ Fifth day of July in the year of our Lord one thousand eight hundred and sixty-five personally came before me a Notary Public in and for the State of New York, dwelling in the City of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. van Hoffmann, George Greer, John Alstyne, John J. Phelps and Henry Parish, Directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Certificate for the purposes therein mentioned.

Witness my hand and seal of office the day and year aforesaid.

WM. WALTER PHELPS.
Notary Public,
County of New York.

Wm. Walter Phelps
New York
Notary
Public

5c.
Int. Rev. Stamp
1865
July 5
City Bank

Certified Copy

-of-

ORGANIZATION CERTIFICATE

of

THE NATIONAL CITY BANK OF NEW YORK.

Dated, July 6, 1865.

115669

Regd. No. F. 1835 /2

Price Twopence.
Form No. 3 F.

739

A 5s. Companies Registration Fee Stamp must be impressed here.

"THE COMPANIES ACTS, 1908 to 1917."

RETURN, pursuant to Section 274 of the Companies (Consolidation) Act, 1908, by—

* Insert name of Company.

The* National City Bank of New York

† Insert country of origin.

incorporated in †the United States of America

which has a place of business in the United Kingdom at

36 Bishopsgate, London, E.C. 2

OF THE NAMES and addresses of some one or more persons resident in the United Kingdom authorised to accept on behalf of the Company service of process and any notices required to be served on the Company.

Presented for filing

by Linklaters & Paines

21 St Swithin's

E.C. 3.

COMPANIES REGISTRATION OFFICE 24 JUN. 1920

(28149) Wt. P68—3129. 500. 4/19. Sk J. C. & S. Gp. 116. B1535.

List of Persons authorised to accept

Names of Persons			Service
John Kinmont Moir			3
	Reserved for binding.	Reserved for binding.	

to accept

Service on behalf of the Company.

Addresses	Descriptions or Occupations
36 Bishopsgate, London, E.C.2	Banker

Reserved for binding.

Reserved for binding.

Signature of the persons authorised under Section 274 (1) (c) of the Companies (Consolidation) Act, 1908, or of some other person in the United Kingdom duly authorised by the Company.

John R. Macrae

Date 3rd June 1920

PLEASE NOTE CHANGE OF ADDRESS.

LINKLATERS & PAINES.

LINKLATER & CO.
AT 2, BOND COURT, E.C.

H. LACY ADDISON
HAROLD S. BROWN
GERALD L. ADDISON
THOS. H. E. SPANSON
H. P. BURTSEY
RALEIGH R. PHILLPOTTS

PAINES, BLYTH & HUNTABLE
AT 21, GREAT ST. HELEN'S, E.C.

J. F. HUNTABLE
HARRY KNOX
H. M. COHEN

TELEPHONE: AVENUE {978, 979.
Telegrams: Themedhar, Led, London.

By hand
Encs.

21, GREAT ST. HELEN'S,
LONDON, E.C.3.

HMC.

File

3rd June 1920.

Dear Sir,

National City Bank of New York

We send herewith the certified copies relating to the constitution of the above Company, and also the name of Mr. J. K. Moir as the person authorised to accept service of Notices etc. on behalf of the Company.

We cannot at the moment send you a List of the Directors, because we understand you insist upon having the full names and usual residential addresses of all the Directors, whereas in some cases we have only initials and business addresses. The form, however, has been sent out to the United States for completion, and will be filed as soon as it is received back.

Meantime we shall be obliged if you will file the documents presented with this letter.

Yours faithfully,

Linklaters & Paines.

The Registrar of Joint Stock Companies,
Companies Department,
Somerset House,
W. C. 2.

BY-LAWS

OF

The National City Bank of New York

ARTICLE I.

Meetings of Shareholders

SECTION 1. Annual Meeting. The regular annual meeting of the shareholders, for the election of directors and the transaction of such other business as may come before the meeting, shall be held at the banking house of the Association on the second Tuesday in January, in each year. If, for any cause, such meeting is not held on that day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable. Thirty days' prior notice of any regular meeting or special election shall be given by publication in a newspaper of general circulation published in the City and County of New York. A copy of the notice of such meeting or special election shall also be mailed, postage prepaid, at least thirty days prior to the date of such meeting or special election, addressed to each shareholder at his address appearing on the books of the Association; but any failure to mail such notice or any irregularity therein shall not affect the validity of such meeting or special election or of any of the proceedings thereat.

SECTION 2. Special Meetings. The Cashier shall call a special meeting of the shareholders, at any time, upon the order of the Board of Directors or of the President or other officer for the time being acting as President; and he shall also call a special meeting whenever requested in writing by the registered holders of not less than forty per cent of the outstanding capital stock. Unless otherwise required by law, notice of any such special meeting shall be sufficiently given, if mailed, postage prepaid, not less than ten days before the meeting, to each shareholder at his address appearing on the books of the Association.

SECTION 3. Judges of Election. Every election of directors shall be managed, by three judges, who shall be appointed from among the shareholders

by the Board of Directors. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Cashier a certificate under their hands, certifying the result thereof and the names of the directors elected.

SECTION 4. Quorum. A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law.

ARTICLE II.

DIRECTORS.

SECTION 1. Number. All corporate powers shall be vested in and exercised by a Board of Directors composed of not less than seven nor more than twenty-five members; and the number of directors to be elected each year at the annual meeting of shareholders shall be determined by the Board of Directors at a meeting held prior to such annual meeting.

SECTION 2. Organization Meeting. The Cashier, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the banking house of the Association for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

SECTION 3. Regular Meetings. The Board of Directors shall hold a regular meeting, without notice, on Tuesday in each week, at 1:30 o'clock, P. M. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time on the next day not a legal holiday or on such other day as the Board may have ordered at the next previous meeting.

SECTION 4. Special Meetings. A special meeting of the Board of Directors may be called at any time by the Chairman of the Board or the President; and such meeting shall be called by either of said officers, or by the Cashier, on the written request of any three members of the Board. Notice of any special meeting may be given in writing, either by mailing or telegraphing the same to each director, at his address appearing on the books of the Association, on or before the second day preceding the meeting, or by delivering the same to him personally on or before the day preceding the meeting, or by leaving the same at his place of business in the City of New York, before 5 o'clock, P. M., or at his residence in the said city, before 9 o'clock, P. M., on the day preceding the meeting; provided, that if any director has neither a place of business nor a residence in the City of New York, such notice may be sent by telegraph at any time during the day preceding the meeting, to his address appearing on the books of the Association.

SECTION 5. Quorum. A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 6. Vacancies. When any vacancy occurs among the directors the remaining members of the Board may elect a director to fill such vacancy, at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 7. Directors' Fees. For attendance at any meeting of the Board, regular or special, and for attendance at any meeting of any committee of the Board, unless the Board of Directors shall otherwise direct, there shall be divided among the directors present a sum equal to Twenty Dollars multiplied by a number equal to the whole number of directors at the time constituting the Board or such committee, as the case may be.

ARTICLE III.

COMMITTEES OF THE BOARD.

SECTION 1. Executive Committee. There shall be an Executive Committee, to be appointed by the Board of Directors, from time to time, and to hold office during its pleasure, composed of not less than five members of the Board and of the President ex officio. The Executive Committee shall have and may

exercise, when the Board of Directors is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee may make rules for holding and conducting its meetings and keeping the records thereof, and it shall regularly report its actions to the Board. All acts done and powers conferred by the Executive Committee, from time to time, within the scope of its authority, shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. Examining Committee. There shall be an Examining Committee, composed of not less than five members of the Board of Directors, to be appointed by the Board every six months, or oftener in its discretion, and to hold office during its pleasure. It shall be the duty of the Examining Committee to examine into the affairs of the Association, and to compare its assets and liabilities with the balances of the general ledger, for the purpose of ascertaining whether or not the books are correctly kept and the actual condition of the Association corresponds therewith, and whether or not the Association is in a sound and solvent condition; and the result of any such examination shall be reported to the Board of Directors and spread on the minutes at the next regular meeting of the Board thereafter.

SECTION 3. Other Committees. The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine.

ARTICLE IV.

OFFICERS AND AGENTS.

SECTION 1. Officers. The officers of the Association to be elected or appointed by the Board of Directors shall be a President (who must be a director), three or more Executive Managers, one of whom shall be the General Executive Manager, a Comptroller, one or more Vice-Presidents, a Cashier, one or more Assistant Vice-Presidents, one or more Assistant Cashiers, and such other officers as, from time to time, may appear to the Board of Directors to be necessary or desirable in the conduct of the affairs of the Association. The Board may also, in its discretion, create the office of Chairman of the Board of Directors and may elect to such office one of its members.

SECTION 2. Clerks and Agents. The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Book-

keepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, and may prescribe the duties of each, subject to the provisions of these By-Laws; and it may delegate to the President, or to any other officer of the Association, authority to appoint and dismiss such clerks, agents and employees and to prescribe their duties.

SECTION 3. Term of Office. The President shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of all the members of the Board) for the term for which he was elected a director. All other officers, clerks, agents and employees elected or appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

SECTION 4. Powers and Duties of Chairman of the Board. The Chairman of the Board of Directors shall preside at all meetings of the directors, and shall perform such other duties as may, from time to time, be assigned to him by the Board.

SECTION 5. Powers and Duties of President. The President shall be the chief executive officer of the Association, and shall be ex officio an Executive Manager and a member of the Executive Committee, and shall also have such other powers and duties as are provided in these By-Laws and as may, from time to time, be prescribed by the Board of Directors. In the absence of the Chairman of the Board, he shall preside at all meetings of the Board of Directors.

SECTION 6. Powers and duties of Executive Managers. The Executive Managers shall have, under the President, the general and active administration of the business and affairs of the Association, and may severally exercise any of the powers of any other officer, except those expressly reserved by law to specific officers. One of their number, to be appointed by the Board of Directors, from time to time, shall be known as the General Executive Manager, and, in the absence of the President, shall exercise his powers and perform his duties.

SECTION 7. Powers and Duties of the Cashier. The Cashier shall be the Secretary of the Board of Directors, shall keep accurate minutes of all meetings of the shareholders and of the Board, and shall attend to the giving of all notices required by these By-Laws to be given, except as herein otherwise provided. He shall be responsible for all moneys, funds and valuables

of the Association, and shall be the custodian of the corporate seal, records, documents and papers of the Association, unless otherwise provided by these By-Laws or by the Board of Directors. It shall be his duty to provide for the keeping of proper records of all transactions of the Association; to report to the Board of Directors at each regular meeting the condition of the Association as shown by the daily statement at the close of business on the preceding day; to submit to the Board of Directors or the Executive Committee, when requested, a detailed statement of the expenses of the Association; and to perform such other duties as may be assigned to him, from time to time, by the Board of Directors or the Executive Committee. He shall maintain strict discipline and observe carefully the conduct of all persons employed under him, and report to the President or the General Executive Manager promptly such evidence of incapacity or bad conduct as he may observe.

SECTION 8. Powers and Duties of other Officers. All other officers shall respectively exercise such powers and perform such duties as the Board of Directors shall, from time to time, prescribe.

ARTICLE V.

MISCELLANEOUS PROVISIONS.

SECTION 1. Fidelity Bonds. Every officer, agent, clerk or employee of the Association shall give bond for the faithful performance of his duties in such form and amount as may be approved by the Executive Committee. The premiums on such bonds shall be paid by the Association.

SECTION 2. Conveyances of Real Estate. All transfers and conveyances of real estate shall be executed on behalf of the Association, upon the direction of the Board of Directors or the Executive Committee, by the President or an Executive Manager, under the seal of the Association, attested by the Cashier or an Assistant Cashier, unless the Board of Directors or Executive Committee shall otherwise direct.

SECTION 3. Records. The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee, and any other standing committee of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Cashier or other officer appointed to act as Secretary of the meeting.

SECTION 4. Banking Hours. The Bank shall be open for business from 10 o'clock A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE VI.

FOREIGN BRANCHES.

SECTION 1. Establishment. The Board of Directors is authorized to establish branches in foreign countries and in dependencies of the United States of America, subject to the approval of the Federal Reserve Board, and to set aside, from time to time, so much of the capital of the Association as it may deem advisable for the conduct of each branch.

SECTION 2. Management. The affairs of such branches shall be under the immediate supervision and control of the President and of the Executive Managers, and of such Vice-President or other officer or officers as the President or the General Executive Manager may designate; and the President or the General Executive Manager is authorized, with the approval of the Board of Directors, to appoint such managers, sub-managers or other agents as he may deem necessary, who shall conduct the business of the several branches, subject to the rules and regulations which the President or the General Executive Manager shall promulgate from time to time. With like approval of the Board, the President or the General Executive Manager may also cause such powers of attorney to be given to such persons as he may deem necessary for the proper conduct of the business of the Association at its several branches wherever established.

SECTION 3. Custody of Funds. The funds of each branch shall be kept in the custody of its manager or other agent in charge thereof, or in such depositories as he may select, subject to the approval of the President or such officer as he may designate.

SECTION 4. Books and Reports. At each branch, the manager or agent in charge thereof shall keep, or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the manager or agent in charge thereof.

ARTICLE VII.

TRUST DEPARTMENT.

SECTION 1. Exercise of Fiduciary Powers. All fiduciary powers of the Association shall be exercised through the Trust Department, subject to such regulations as the Federal Reserve Board shall from time to time establish. All the books and records of the Trust Department shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. Vice-President in Charge. The Board of Directors shall appoint a Vice-President, who shall have charge of all the operations of the Trust Department. He shall make weekly reports in writing to the Executive Committee of all important transactions of the Trust Department, and especially of all sales and purchases of investment securities belonging to trust estates.

SECTION 3. Trust Officers. The Board of Directors may appoint, from time to time, a Trust Officer and one or more Assistant Trust Officers, who shall exercise such powers and perform such duties as are prescribed in these By-Laws or as may be assigned to them by the Board of Directors or by the President or any Executive Manager or by the Vice-President in charge of the Trust Department.

SECTION 4. Execution of Instruments. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents in connection with the exercise of any of the fiduciary powers of the Association, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the President or any Executive Manager or any Vice-President, and the seal of the Association may be affixed thereto and attested by the Cashier or any Assistant Cashier.

SECTION 5. Authentication and Signature of Instruments. All authentications or certifications by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes or other obligations of any corporation, and all certificates as Registrar or Transfer Agent, and all certificates of deposit for stocks and bonds, and interim certificates, and trust certificates, may be signed or countersigned in behalf of the Association by the President or any Executive Manager or any Vice-Presi-

ARTICLE VII.

TRUST DEPARTMENT.

SECTION 1. Exercise of Fiduciary Powers. All fiduciary powers of the Association shall be exercised through the Trust Department, subject to such regulations as the Federal Reserve Board shall from time to time establish. All the books and records of the Trust Department shall be kept separate and distinct from the other books and records of the Association.

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SECTION 5. Authentication and Signature of Instruments. All authentications or certifications by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes or other obligations of any corporation, and all certificates as Registrar or Transfer Agent, and all certificates of deposit for stocks and bonds, and interim certificates, and trust certificates, may be signed or countersigned in behalf of the Association by the President or any Executive Manager or any Vice-Presi-

dent or Assistant Vice-President, or by the Cashier or any Assistant Cashier, or by the Trust Officer or any Assistant Trust Officer, or by any other person appointed by the Board of Directors.

SECTION 6. Securities and Investments. The securities and investments held in each trust shall be kept separate and distinct from the securities owned by the Association, and separate and distinct from one another. Trust securities and investments shall be held in the joint custody of two or more officers or other employees designated by the Board of Directors from time to time.

SECTION 7. Investment Committee. There shall be an Investment Committee composed of three members of the Board of Directors, appointed by the Board for that purpose; and all investments of trust funds shall be approved in writing by at least two members of said Committee.

ARTICLE VIII.

STOCK AND STOCK CERTIFICATES.

SECTION 1. Transfers. Shares of stock shall be transferable only on the books of the Association, subject to the provisions of The National Bank Act, and a transfer book shall be kept, in which all transfers of stock shall be recorded. No stock shall be voted at any election which shall have been transferred within fifteen days prior to such election.

SECTION 2. Stock Certificates. Certificates of stock shall be signed by the President or an Executive Manager or a Vice-President, and countersigned by the Cashier or an Assistant Cashier, and the seal of the Association shall be impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate.

9

ARTICLE IX.

Corporate Seal.

The Cashier or any Assistant Cashier shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

ARTICLE X.

Fiscal Year.

The fiscal year of the Association shall be the calendar year.

ARTICLE XI.

By-Laws.

Section 1. Inspection. A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place in the banking house of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 2. Repeal. These By-Laws shall take effect as of February 17, 1920; and all previous by-laws are repealed as of that date.

Section 3. Amendments. These By-Laws may be amended, altered or repealed, at any regular meeting of the Board of Directors, by a vote of a majority of the whole number of the Directors.

10

I hereby certify that the foregoing is a true and correct copy of the By-Laws of The National City Bank of New York, which are now in force, and that they were duly adopted by a unanimous vote of the Board of Directors, at a regular meeting, duly held at the office of the Bank on Tuesday, February 17, 1920, at which more than two-thirds of the said Board of Directors, or sixteen out of a total number of twenty-three Directors, were present.

New York, April 22nd, 19

Cashier and Secretary of Board of Directors.

State of New York,
County of New York.

On this 22nd day of April, 1920, before me, a Notary Public, personally came Nathan C. Lenfestey, to me known and known to me to be the Cashier and Secretary of the Board of Directors of The National City Bank of New York, the person who executed the above certificate, and acknowledged to me that he executed the same.

Blanche Curtin

Notary Public, New York Co. No. 433
New York Co. Register No. 1507
Certificate filed in Kings Co. No. 91
Kings Co. Register No. 1909
Kings Co. Register No. 1910
My term expires March 30, 1921.

BRITISH CONSULATE-GENERAL, NEW YORK, U. S. A.

I certify that the above are the Signature and Seal of Blanche Curtin a Notary Public for the County of New York State of New York U. S. A., this Twenty-sixth day of April 1920

For the contents of this document His Britannic Majesty's Consulate General assumes no responsibility.

W. F. James

British Vice Consul,
of New York City, in the
United States of America.

State of New York,
County of New York, } ss.

No. 2238 Series B

I, WILLIAM F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for said County, the same being a Court of Record, DO HEREBY CERTIFY, that

Blanche Curtin

is a Notary Public in and for said county, appointed pursuant to the laws of this State; that his term of office commenced on the 21 day of March 1919 and expires on the 20 day of March 1921; and that full faith and credence should be given to all his official acts. I further certify that the signature of said Notary Public is on file in this office, and I verily believe that the signature attached hereto is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have affixed the seal of the said Court and County, this 23 day of April 1920.

[signature]
Clerk.

STATE OF NEW YORK,
COUNTY OF NEW YORK.

NATHAN C. LENFESTEY, being duly sworn says:

I am the Cashier and Secretary of the Board of Directors of The National City Bank of New York, the corporation referred to in the foregoing copy of its By-laws. Such copy is a true, correct and complete copy of the original By-laws of The National City Bank of New York, with the amendments up to the present time, which original By-laws are in my custody.

Sworn to before me,
June 24th, 1920.

Blanche Curtin

Notary Public, New York Co. No. 473
New York Co. Register No. 1507
Certificate filed in Kings Co. No. 31
Kings Co. Register No. 1200
Certificate filed in Bronx Co. No. 41
Bronx Co. Register No. 2111
My Term expires March 30, 1921.

Nathan C. Lenfestey

BRITISH CONSULATE GENERAL, NEW YORK

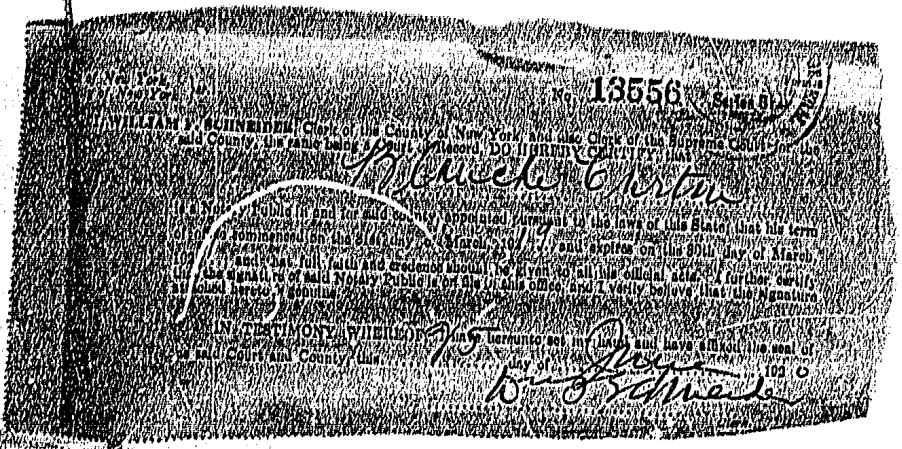
I certify that the above are the Signature and Seal of Blanche Curtin a Notary Public for the County of New York State of New York U. S. A., this Twenty fifth day of June A.D. 1920.

For the contents of this document His Britannic Majesty's Consulate General assumes no responsibility.

BRITISH CONSULATE GENERAL

W. H. James

British Vice Consul
at New York City in the
United States of America



Certified Copy

-of-

B Y - L A W S

-of-

THE NATIONAL CITY BANK OF NEW YORK.

Certified, April 22, 1920.

1837. 4 49534

The National City Bank of New York.

Articles of Association.

We the undersigned, the Directors of the City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof", approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:—

FIRST.

The name and title of the Association into which the said The City Bank of New York is to be changed and converted shall be The National City Bank of New York.

SECOND.

The place where its banking house or offices shall be located and its operations of discount and deposit carried on and its general business conducted, shall be the City of New York in the County of New York and State of New York.

THIRD.

The Board of Directors shall consist of not less than seven nor more than twenty-five shareholders, and hereafter, the number of Directors to be elected each year at the Annual Meeting shall be determined by the Board of Directors.

The Regular Annual Meeting for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held on the second Tuesday of January of each year,

COMPANIES REGISTRATION FIVE SHILLINGS
ONE SHILLING
REGISTERED 931. 14 JUL 1920
COMPANIES REGISTRATION OFFICE 14 JUL. 1920

but if no election shall be held on that day, it may be held on any other day, according to the provisions of the Tenth Section of the Act; and all elections shall be according to such regulations as may be prescribed by the Board of Directors of the Association, not inconsistent with the provisions of the aforesaid Act.

FOURTH.

The Capital Stock of this Association shall be $25,000,000 to be divided into 250,000 shares of $100 each.

FIFTH.

The Board of Directors (a majority of whom shall be a quorum to do business) shall elect one of their members to be President of this Association who shall hold his office (unless he shall become disqualified or be sooner removed by a two-thirds vote of all the members of the Board) for the term for which he was elected a Director; and they shall have power to elect a Vice-President who shall also be a member of the Board of Directors, and to elect or appoint a Cashier and such other officers and clerks as may be required to transact the business of the Association; to fix the salaries to be paid to them and continue them in office or to dismiss them as, in the opinion of a majority of the Board, the interest of the Association may demand.

They shall also have power to define the duties of the officers and clerks of the Association, to require bonds from them and to fix the penalty thereof; to regulate the manner in which elections of Directors shall be held, and to appoint judges of the election; to provide for an increase of the capital of the Association, and to regulate the manner in which such increase shall be made; and generally to do and perform all the acts that it may be legal for a Board of Directors to do under the Act aforesaid; and they shall also have the power to make all By-Laws that it may be proper and convenient for them to make under said Act, for the general regulation of the business of the Association and the entire management and administration of its affairs; which By-Laws may prohibit, . the Directors shall so determine, the transfer of stock owned by any stockholder who may be liable to this Association, either as principal debtor or otherwise, without the consent of the Board.

SIXTH.

This Association shall continue until the close of business July 5th, 1925, unless sooner placed in voluntary liquidation by the act of its shareholders owning at least two-thirds of its capital stock or otherwise dissolved by authority of Law.

SEVENTH.

These Articles of Association may be changed or amended at any time by stockholders owning a majority of the stock of the Association, in any manner not inconsistent with the provisions of the Act, and the Board of Directors or any three stockholders may call a meeting of the stockholders for this purpose.

IN WITNESS WHEREOF we, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of the City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR
TARBANT PUTNAM
J. .I. BROWER
LOUIS A. VAN HOFFMAN
GEORGE GREEN
JOHN ALSTYNE
HENRY PARISH
JOHN J. CISCO
JOHN J. PHELPS

I HEREBY CERTIFY that the above is a true and correct copy of the Articles of Association of The National City Bank of New York, with the amendments up to the present time.

New York, February 7th, 1920.

Cashier and Secretary of Board of Directors.

STATE OF NEW YORK, }
COUNTY OF NEW YORK, }

On this 7th day of February, 1920, before me, a Notary Public, personally came Nathan C. Lenfoatey, to me known and known to me to be the Cashier and Secretary of the Board of Directors of The National City Bank of New York, the person who executed the above certificate, and acknowledged to me that he executed the same.

Blanche Courtney

Notary Public, New York Co. No. 453
New York Co. Register No. 1507
Certificate filed in Kings Co. No. 91
Kings Co. Register No. 1900
Certificate filed in Bronx Co. No. 11
Bronx Co. Register No. 9151
My Commission expires March 30, 1921

BRITISH CONSULATE GENERAL, NEW YORK, U. S. A.

I certify that the above and the Signature and Seal of Blanche Courtney - a Notary Public for the County of New York in the State of New York - U. S. A., this Eleventh day of February - 19 20

For the authenticity of this document His Britannic Majesty's Consular General assumes no responsibility.

BRITISH CONSULATE GENERAL * NEW YORK * 16780

W. J. James

British Vice Consul,
at New York City, in the
United States of America

Form 4

State of New York, } ss.:
County of New York, }

No. 9117 Series B

I, WILLIAM F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for said County, the same being a Court of Record, DO HEREBY CERTIFY, that

Blanche Cutler

is a Notary Public in and for said county, appointed pursuant to the laws of this State; that his term of office commenced on the 3 day of Feb 1929 and expires on the 30 day of June 1931, and that full faith and credence should be given to all his official acts. I further certify that the signature of said Notary Public is on file in this office, and I verily believe that the signature attached hereto is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have affixed the seal of the said Court and County, this 11 day of [illegible] 1930

William F. Schneider
Clerk.

IRISH CONSULATE

STATE OF NEW YORK,
COUNTY OF NEW YORK.

NATHAN C. LEMPESTEY, being duly sworn says:

I am the Cashier and Secretary of the Board of Directors of The National City Bank of New York, the corporation referred to in the foregoing copy of its Articles of Association. Such copy is a true, correct and complete copy of the original Articles of Association of The National City Bank of New York, with the amendments up to the present time, which original Articles of Association are in my custody.

Sworn to before me,
June 24th, 1920.

Blanche Curtin

Nathan C. Lempestey

Notary Public of New York Co., Pa., and New York [illegible]
Certificate [illegible]
Bronx [illegible]
[illegible]

BRITISH CONSULATE GENERAL, NEW YORK, U. S. A.

I certify that the above are the Signature and Seal of Blanche Curtin a Notary Public for the County of New York State of New York U. S. A., this Twenty fifth day of June A.D. 1920.

For the contents of this document His Britannic Majesty's Consulate General assumes no responsibility.

W. F. James
Pro Consul
of [illegible] Orig. in the
United States of America

[illegible] of New York, [illegible]
County of New York, [illegible]

No. 13588

WILLIAM F. SCHNEIDER, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, DO HEREBY CERTIFY, that

Blanche Curtin

[illegible] a Notary Public in and for said County, appointed pursuant to the laws of this State that his term of office commenced on the 31st day of March, 1920, and expires on the 30th day of March, [illegible] and that full faith and credence should be given to all his official acts. [illegible] certify that the signature of said Notary Public is on file in this office, and I verily believe that the signature [illegible] is genuine.

[illegible] WHEREOF, I have hereunto set my hand and have affixed the seal of the said Court and County, this [illegible] day of June 1920

[illegible] Clerk

Certified Copy

-of-

ARTICLES OF ASSOCIATION

of

THE NATIONAL CITY BANK OF NEW YORK.

Certified, February 7th, 1920.

49534

Regd. No. F. 835

Form No. 2 F

THE COMPANIES ACTS 1908 to 1917.

(2 inside)

A 5s. Companies Registration Fee Stamp must be impressed here.

RETURN, pursuant to section 274 (1)(b) of the Companies (Consolidation) Act 1908, and section 1 of the Companies (Particulars as to Directors) Act 1917, by—

*Insert name of Company.

*The National City Bank of New York

†Insert country of origin.

incorporated in † The United States of America

and which has a place of business in the United Kingdom at

36 Bishopsgate in the City of London

REGISTERED

929

14 JUL 1920

OF A LIST of its Directors.

Presented for filing by

Linklaters & Paines

21 Great St. Helen's

E.C.3.

COMPANIES REGISTRATION OFFICE 14 JUL 1920

The Solicitors' Law Stationery Society, Limited, 22 Chancery Lane, W.C.2, 29 Walbrook, E.C.4, 49 Bedford Row, W.C.1, 6 Victoria Street, S.W.1.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS.

Companies Form No. F2.—L4923-113 W100

List of Directors* of The National City

† The Present Christian Name or Names and Surname.	‡ Any Former Christian Name or Names or Surname	Nationality.
James Alexander Stillman		United States of America
Jonathan Ogden Armour		
Guy Cary		
Cleveland Hoadley Dodge		
Philip Albright Small Franklin		
John Anson Garver		
Joseph Peter Grace		
Robert Scott Lovett		
Cyrus Hall McCormick		
Gerrish Hill Milliken		
James Howell Post		
Edgar Palmer		
William Cooper Procter		
Moses Taylor Pyne		
Percy Avery Rockfeller		
William Rockfeller		
Eric Pierson Swenson		
Henry Augustus Coit Taylor		
Nicholas Frederic Brady		
Earl D. Babst		

NOTE.—This margin is reserved for binding, and must not be written across.

* "Director" includes any person who occupies the position of a Director, and any person in accordance with whose directions or instructions the Directors of a Company are accustomed to act.

† Christian name includes any forename. In the case of a Peer or a person usually known by a British title different from his surname, the title by which he is known must be substituted for his surname.

‡ In the case of natural-born British subjects, a former Christian name or surname should not be shown where that name or surname has been changed or disused before the person bearing the name had attained the age of eighteen years; and in the case of a married woman the name or surname by which she was known previous to the marriage should not be given.

Bank of New York

Nationality of Origin (if other than the Present Nationality).	Usual Residence.	Occupations.
	270 Park Avenue New York	Banker
	Lake Forest, Illinois	President of Harnow Co.
	54 Park Avenue New York	Lawyer
	Riverdale, New York	Merchant
	41 East 61 Street, New York.	President of the International Mercantile Marine
	515 Madison Avenue New York	Lawyer
	Manhasset, Long Island New York	Merchant
	Locust Valley, New York	A Member of the Railroad Executive
	50 East Huron Street, Chicago, Illinois	Chairman, Board of Directors International Harvester Company
	123 Park Avenue, New York	Cotton Woolen Merchant
	88 Remsen Street Brooklyn New York	Merchant
	Rye, New York	Merchant
	Glendale, Ohio	Merchant
	Princeton New Jersey	Merchant
	Greenwich, Connecticut	Merchant
	689 Fifth Avenue, New York	Merchant
	13 East 71 Street New York	Partner in the firm of C. D. Stevenson Son, Stock Farmers
	3 East 71 Street, New York	Merchant
	989 Fifth avenue, New York	Merchant
	205 East 57 Street, New York	Merchant

* To be signed by the persons authorised under sec. 274 (1) (a) of the Companies (Consolidation) Act 1908, or of some other person in the United Kingdom duly authorised by the Company.

*

The person authorised under Sec. 274 (1)(c) of the Companies (Consolidation) Act 1908.

Date 14th July 1920.

HEAD OFFICE,
NOS. 55,
WALL STREET,
NEW YORK.

BRANCHES.

BATAVIA.	PUERTO PLATA, R.D.
BOMBAY.	RANGOON.
CALCUTTA.	SAN FRANCISCO.
CANTON.	SANCHEZ, D.R.
CEBU.	SAN PEDRO DE MACORIS.
COLON.	SANTO DOMINGO.
HANKOW.	SANTIAGO DE LOS CABALLEROS.
HARBIN.	SHANGHAI.
HONGKONG.	SINGAPORE.
KOBE.	SOURABAYA.
MANILA.	TIENTSIN.
PANAMA.	TSINGTAO.
PEKING.	YOKOHAMA.

TELEGRAMS. "INBANGOR, NEW YORK." "UNFAILABLE, LONDON."
TELEPHONES. 8410 LONDON WALL. 4061 CENTRAL.

All communications to be addressed to the Manager and not to individuals.

INTERNATIONAL BANKING CORPORATION.

30, Bishopsgate, E.C. 2.

London, 9th July, 1920

MESSRS LINKLATERS & PAINES,
21, Great St.Helen's,
E.C.3.

Dear Sirs,

We enclose list of Directors of the National City Bank of New York with business and private addresses and occupations. These, we understand, are required by you for registration under the Companies Acts 1908 to 1917, and our friends point out that there has been some little change as compared with the list submitted to them which was not entirely correct.

Mr.Babst states that his full name is "Earl D.Babst" and that he has no middle name other than "D".

I am, Dear Sirs,

Yours faithfully,

Sub Manager.

BS/PJR.

Price Twopence.

Form No. 4. F.

No. of Company F....1835/71.....

THE COMPANIES ACT, 1929

RETURN of Alteration in the Charter, Statutes, Memorandum or Articles of Association or other Instrument constituting or defining the Constitution of a Company Incorporated outside Great Britain.

Pursuant to Section 346 409

REGISTERED 11 MAR 1949

Name of Company: NATIONAL CITY BANK OF NEW YORK

NOTE.—This Return must be delivered to the Registrar of Companies within twenty-one days after the date on which particulars of the alteration could, in due course of post, and if despatched with due diligence, have been received in Great Britain from the place where the Company is incorporated.

Presented by

LINKLATERS & PAINES,

6, Austin Friars,

E.C.2.

A 1712

11 MAR 1949

RETURN of alteration in the (a) Articles of Association constituting or defining the constitution of National City Bank of New York a Company incorporated in (b) the borough of Manhattan New York.

and which has established a place of business in Great Britain at 117 Old Broad Street, London, E.C.2.

(c) Certified Copy of Alteration or Certified Copy of new Deed, if one has been executed, and Certified Translation of Alteration or Deed, if not in English language must accompany this Return and be shortly referred to here.

A certified true copy of the Articles of Association of the Company as amended to the 14th January, 1949 accompanies this Return. The fifth Article has been amended to show the increase in the capital stock effected by increasing the par value of each share of capital stock from $12.50 to $20 in accordance with action taken by shareholders at the Annual Meeting held on the 20th January, 1949.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.

(b) Country of Origin.

(c) The Copy and Translation (if any) must be certified in the manner prescribed by regulations of the Board of Trade on that behalf in The Companies (Forms) Order, 1929 (S.R. & O. No. 823 of 1929).

Signature of the persons authorised under Section 107 (1) (c) of the Companies Act, 1929, or of some other person in Great Britain duly authorised by the Company.

For the National City Bank of New York,

R.T. Brendle

Manager.

Dated the Ninth day of March 1949.

Reserved for Binding.

No. 591

United States of America

DEPARTMENT OF STATE

...ll to whom these presents shall come, Greeting:

I Certify *That the document hereunto annexed is under the ... of the Treasury Department of the ... seal is entitled to full faith and credit.*

Seal for the legalisation of the seal of the Department of State of the United States affixed by M. P. CHAUVIN of the said Department.

W. C. Butler.
British Pro - Consul,
Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this third day of February 1949

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

BRITISH EMBASSY WASHINGTON (CONSULAR SECTION)

CONSULAR SERVICE

ONE SHILLING

In testimony whereof, *I,* DEAN ACHESON,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this second *day of* February, *1949.*

* FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Acheson
Secretary of State.

By M. P. Chauvin
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING O... 70046-3

TREASURY DEPARTMENT

WASHINGTON

JAN 3 1 1949

I hereby certify that the signature of J. L. [illegible]rtson, as Acting Comptroller of the Currency, t[illegible]e paper dated January 27, 1949 hereto attached, is [illegible] genuine signature, and that the seal of the Of[illegible] of the Comptroller of the Currency affixed the[illegible] in attestation thereof is the official seal of [illegible]omptroller of the Currency.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary:

Acting Secretary of the Treasury

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT)
Office of)ss:
Comptroller of the Currency)

I, J. L. Robertson, Acting Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy of the articles of association of The National City Bank of New York (Charter No. 1461), New York, N. Y., as amended January 14, 1949.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 27th day of January, A. D. 1949.

Acting Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

THE NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO JANUARY 14, 1949

THE NATIONAL CITY BANK OF NEW YORK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 14, 1949

We the undersigned, the Directors of The City Bank of New York located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be The National City Bank of New York.

SECOND. The place where its principal banking house or office shall be located, and its operations of discount and deposit carried on, and its general business conducted, shall be in the City of New York, State of New York, its Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the second Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law, and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The capital stock of the Association shall be $124,000,000, divided into 6,200,000 shares of the par value of $20. each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association, subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person may be indemnified or reimbursed by the Association for reasonable expenses actually incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a director, officer, or employee of the Association: *Provided, however,* That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding in which he shall finally be adjudged to have been negligent in the performance of his duties or to have committed an act or failed to perform a duty for which there is a common-law or a statutory liability: *And provided further,* That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding which has been made the subject of a compromise settlement, except with the approval of the holders of record of a majority of the outstanding shares of said Association. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of

TIGHT BINDING

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEO. OR GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA }
State of New York } ss.:
City and County of New York }

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

L.S.

No. of Company F. 1835. 78

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: NATIONAL CITY BANK OF NEW YORK

24 JUL 1951

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 77, Colmore Row, Birmingham, 3;
109, The Headrow Leeds, 1; 12 & 14, Brown Street, Manchester, 2.

Presented by THE NATIONAL CITY BANK OF NEW YORK,
117, Old Broad Street,
London, E.C.2.

COMPANIES REGISTRATION OFFICE 24 JUL 1951

A 4197

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of The National City Bank of New York,

a company incorporated in (b) the borough of Manhattan New York, and which has established a place in business in Great Britain at 117, Old Broad Street, London, E.C.2.

(a) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.

A certified true copy of the Articles of Association of the Company as amended to the 7th June, 1951 accompanies this Return. The fifth Article has been amended to show the increase in the Capital stock from $124,000,000. to $144,000,000.

Record for Filing.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

For The National City Bank of New York,

R. J. Bracegirdle

Manager.

Dated the twenty third day of July, 1951.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 3 of the Companies (Forms) Order, 1949.*

No. 3233

United States of America

DEPARTMENT OF STATE

whom these presents shall come, Greeting:

tify That the document hereunto annexed is under the
e Treasury Department of the United States, and that
is entitled to full faith and credit.

In testimony whereof, I, DEAN ACHESON,
Secretary of State, have hereunto caused the seal of the Depart-
ment of State to be affixed and my name subscribed by the Authenti-
cation Officer of the said Department, at the City of Washington, in
the District of Columbia, this twenty-fifth
day of June, 1952.

CONTENTS OF ATTACHED DOCUMENT DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Acheson
Secretary of State.

By J. P. Chauncey
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—80640-6

INDISTINCT ORIGINAL

sion for the legalisation of the seal of the Department of State of the United States affixed by — M. R. Channin —— of the said Department.

British Vice-Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America,

this TWENTY-SEVENTH day of JUNE 1951

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

United States of America

TREASURY DEPARTMENT
WASHINGTON

June 22, 1951
(Date)

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I certify that the annexed is a true and complete copy of the articles of association of The National City Bank of New York (Charter No. 1461), New York, N. Y., as amended to June 7, 1951, as certified by L. A. Jennings, Acting Comptroller of the Currency.

on file in the Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Margaret B. Chopin
MARGARET M. CHOPIN
Records Administration Officer
Division of Office Services
Office of Administrative Services
Treasury Department

Treasury Department Form 2047 (Rev. Nov. 1949)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, L. A. JENNINGS, Acting Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy of the articles of association of The National City Bank of New York (Charter No. 1461), New York, N. Y., as amended to June 7, 1951.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 18th day of June, A. D. 1951.

L. A. Jennings
Acting Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

THE NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO JUNE 7, 1951

NATIONAL CITY BANK OF NEW YO

CHARTER No. 1461

Articles of Association

AS AMENDED TO JUNE 7, 1951

The undersigned, the Directors of The City Bank of New York, lo
in the City and County of New York in the State of New York, having be
authorized by the owners of two-thirds of the Capital Stock of said Bank
change and convert the said Bank into a National Banking Association, und
and according to the provisions of the Act of Congress entitled "An Act
Provide a National Currency secured by a pledge of United States Bonds and
to provide for the circulation and redemption thereof," approved June 3, 1864
and to execute Articles of Association, do hereby in our own behalf and in
behalf of the stockholders whom we represent, make and execute the following
Articles of Association:

FIRST. The name and title of this Association shall be The National City Bank of New York.

SECOND. The place where its principal banking house or office shall be located, and its operations of discount and deposit carried on, and its general business conducted, shall be in the City of New York, State of New York, its Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the second Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions

all elections shall be held according to such lawful regulations as may be pre
the Board of Directors.

The capital stock of the Association shall be $141,000,000, divided into 7,200,000
to time, in accordance with the provisions of law.
par value of $20 each; but said capital stock may be increased or decreased

The Board of Directors (a majority of whom shall be a quorum to do business)
but one of its members to be President of this Association who shall hold office
shall become disqualified or be sooner removed by a two-thirds vote of the
of the Board) for the term for which he was elected a director. The Board of
may appoint one of its members to be Chairman of the Board, who shall perform
as may be designated by it. The Board of Directors shall have power to appoint
are Vice-Presidents; and to appoint a Cashier and such other officers and employees
be required to transact the business of the Association.
Board of Directors shall have the power to define the duties of the officers and
ee of the Association; to fix the salaries to be paid to them; to dismiss them; to
bonds from them and to fix the penalty thereof; to regulate the manner in which
crease of the capital of the Association shall be made; to manage and administer the
ns and affairs of the Association; to make all by-laws that it may be lawful for them
ake; and generally to do and perform all acts that it may be legal for a board of
ors to do and perform.

e Board of Directors, without the approval of the shareholders, shall have the power
ange the location of the Head Office and of any branch or branches of the Association
ject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization
ificate until such time as it may be dissolved by the act of its shareholders owning
hirds of its stock, or until its franchise becomes forfeited by reason of violation of
placed in the hands of a receiver and finally wound up by him.

e stock of the Association, may call a special meeting of shareholders at any time.
provided, however, that unless otherwise provided by law, not less than ten days prior to
the date fixed for any such meeting, a notice of the time, place and purpose of the meeting
shall be given by first-class mail, postage prepaid, to all shareholders of record at their
respective addresses as shown upon the books of the Association.

NINTH. Any person may be indemnified or reimbursed by the Association for reasonable
expenses actually incurred by him in connection with any action, suit, or proceeding to
which he is made a party by reason of his being or having been a director, officer, or em-
ployee of the Association: *Provided, however,* That no person shall be so indemnified or
reimbursed in relation to any action, suit, or proceeding in which he shall finally be ad-
judged to have been negligent in the performance of his duties or to have committed an
act or failed to perform a duty for which there is a common-law or a statutory liability;
And provided further, That no person shall be so indemnified or reimbursed in relation to
any action, suit, or proceeding which has been made the subject of a compromise settle-
ment, except with the approval of the holders of record of a majority of the outstanding
shares of said Association. The foregoing right of indemnification or reimbursement shall
not be exclusive of other rights to which such person may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meet-
ing of the shareholders by the affirmative vote of the holders of a majority of the stock of

INDISTINCT ORIGINAL

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1845.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS

UNITED STATES OF AMERICA }
State of New York } ss.:
City and County of New York }

On this fifth day of July in the year of our Lord one thousand eight hundred and forty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS
Notary Public,
County of New York.

[SEAL]

INDISTINCT ORIGINAL

No. of Company F. 1835. /84 W

Form No. 4 F.
1/51.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

24 FEB 1953

Name of Company: The National City Bank of New York

FOREIGN REGISTRATION 24 FEB 1953

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
65 & 66, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 77, COLMORE ROW, BIRMINGHAM, 3;
109, THE HEADROW LEEDS, 1; 12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by The National City Bank of New York.
117, Old Broad Street
London. E. C. 2.

4/117

RETURN OF ALTERATION IN THE (a) Articles of Association
constituting or defining the constitution of The National City Bank of New York.

a company incorporated in (b) Borough of Manhattan City of New York and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C. 2

(c) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.

A certified true copy of the Articles of Association of the Company as amended to the 19th January 1953 accompanies this Return. The fifth Article has been amended to show the increase in the Capital stock from $144,000,000 to $150,000,000.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

For The National City Bank of New York
R. J. Boreyfogle
MANAGER.

Dated the Twenty third day of February 1953

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.
(b) Country of origin.
(c) The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.

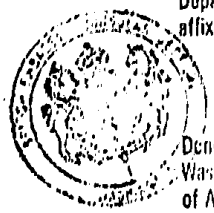
No. 452

United States of America

DEPARTMENT OF STATE

To whom these presents shall come, Greeting:

I Certify That the document hereunto annexed is under the seal of the Treasury Department of the United States, and that such document is entitled to full faith and credit.



Seen for the legalisation of the seal of the Department of State of the United States affixed by -BARBARA HARTMAN- of the said Department.

[signature] BRITISH VICE-Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this SECOND day of FEBRUARY 1953

For the contents of this document the British Embassy (Consular Suction) assumes no responsibility.

In testimony whereof, I, H. FREEMAN MATTHEWS, Acting Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this thirtieth day of January, 1953.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

H. Freeman Matthews
Acting Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

NDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, L. A. JENNINGS, Acting Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association, of The National City Bank of New York, as amended to May 19, 1953.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 27th day of January, A. D. 1953.

L. A. Jennings
Acting Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

THE NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO JANUARY 19, 1953

THE NATIONAL CITY BANK OF NEW YORK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 19, 1953

We the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be The National City Bank of New York.

SECOND. The place where its principal banking house or office shall be located, and its operations of discount and deposit carried on, and its general business conducted, shall be in the City of New York, State of New York, its Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the second Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The capital stock of the Association shall be $150,000,000, divided into 7,500,000 shares of the par value of $20 each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person may be indemnified or reimbursed by the Association for reasonable expenses actually incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a director, officer, or employee of the Association: *Provided, however,* That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding in which he shall finally be adjudged to have been negligent in the performance of his duties or to have committed an act or failed to perform a duty for which there is a common-law or a statutory liability: *And provided further,* That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding which has been made the subject of a compromise settlement, except with the approval of the holders of record of a majority of the outstanding shares of said Association. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of

TIGHT BINDING

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid,

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

No. of Company F. 1635/89

Form No. 4 F.
(6/53.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

RECEIVED
10 DEC 1954

Name of Company: THE NATIONAL CITY BANK OF NEW YORK.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 109, The Headrow, Leeds, 1;
12 & 14, Brown Street, Manchester, 2.

10 DEC 1954

Presented by
The National City Bank of New York,
111, Old Broad Street, London, E.C.2.

3

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of The National City Bank of New York,

a company incorporated in (b) Borough of Manhattan, City of New York **and which has established a place in business in Great Britain at** 117, Old Broad Street, London E.C.2.

(c) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.

A certified true copy of the Articles of Association of the Company as amended 28th October 1954 accompanies this Return. The fifth Article has been amended to show the increase in the Capital stock from $150,000,000 to $200,000,000.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

For the National City Bank of New York,

R. J. Bergfeld

Manager.

Dated the ninth **day of** December **19**54.

(a) " Charter," " Statutes," " Memorandum or Articles of Association " *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. 7243

United States of America

DEPARTMENT OF STATE

To all to whom these presents shall come, Greeting:

I Certify That the document hereunto annexed is under the seal of the Treasury Department of the United States of America, and that such seal is entitled to full faith and credit.*

Seen for the legalisation of the seal of the Department of State of the United States affixed by — BARBARA HARTMAN — of the said Department.

BRITISH Vice Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this SIXTEENTH day of NOVEMBER 1954

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, JOHN FOSTER DULLES, Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twelfth day of November, 1954.

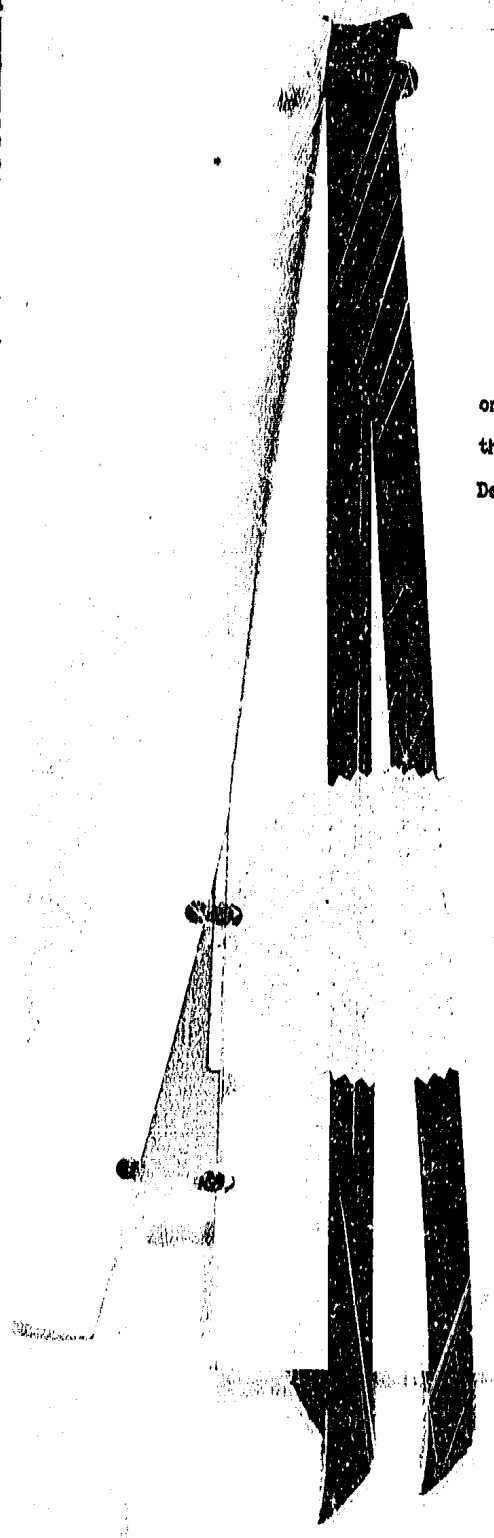
*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

John Foster Dulles
Secretary of State.

By Barbara A. Hartman
Authentication Officer, Department of State.

8

INDISTINCT ORIGINAL



CERTIFICATE

I hereby certify that the signature appearing on the attached document dated November 8, 1954, is the true and correct signature of L. A. Jennings, Deputy Comptroller of the Currency.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Treasury Department to be affixed this 10th day of November, 1954.

By direction of the Secretary of the Treasury:

Lucile Henderson
Chief, Document Distribution Section
Office of Administrative Services
Treasury Department

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency
} ss:

I, L. A. JENNINGS, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association, of The National City Bank of New York, as amended to October 28, 1954.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 8th day of November, A. D. 1954.

Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

THE NATIONAL CITY BANK OF NEW YORK

AS AMENDED TO OCTOBER 28, 1954

THE NATIONAL CITY BANK OF NEW YORK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO OCTOBER 28, 1954

We the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be The National City Bank of New York.

SECOND. The place where its principal banking house or office shall be located, and its operations of discount and deposit carried on, and its general business conducted, shall be in the City of New York, State of New York, its Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the second Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The capital stock of the Association shall be $200,000,000, divided into 10,000,000 shares of the par value of $20 each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law.

SIXTH. The Board of Directors (a majority of whom shall be a quorum) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person may be indemnified or reimbursed by the Association for reasonable expenses actually incurred by him in connection with any action, suit, or proceeding to which he is made a party by reason of his being or having been a director, officer, or employee of the Association: *Provided, however*, That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding in which he shall finally be adjudged to have been negligent in the performance of his duties or to have committed an act or failed to perform a duty for which there is a common-law or a statutory liability: *And provided further*, That no person shall be so indemnified or reimbursed in relation to any action, suit, or proceeding which has been made the subject of a compromise settlement, except with the approval of the holders of record of a majority of the outstanding shares of said Association. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA }
State of New York } ss.:
City and County of New York }

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty-five personally came before me a Notary Public in and for the State of New York Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

INDISTINCT ORIGINAL

F 1835/93 No. 2196 England

United States of America

DEPARTMENT OF STATE

all to whom these presents shall come, Greeting:

I Certify *That the document hereunto annexed is under seal of the Treasury Department of the United States of America, and that such seal is entitled to full faith and credit.**

REGIS
5-MAY 1955

In testimony whereof, *I,* JOHN FOSTER DULLES, *Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this* the 11th *day of* April, 19 55.

5/5/55

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

John Foster Dulles
Secretary of State.

14

By Barbara Hartman
Authentication Officer, Department of State.

INDISTINCT ORIGINAL

INDISTINCT ORIGINAL

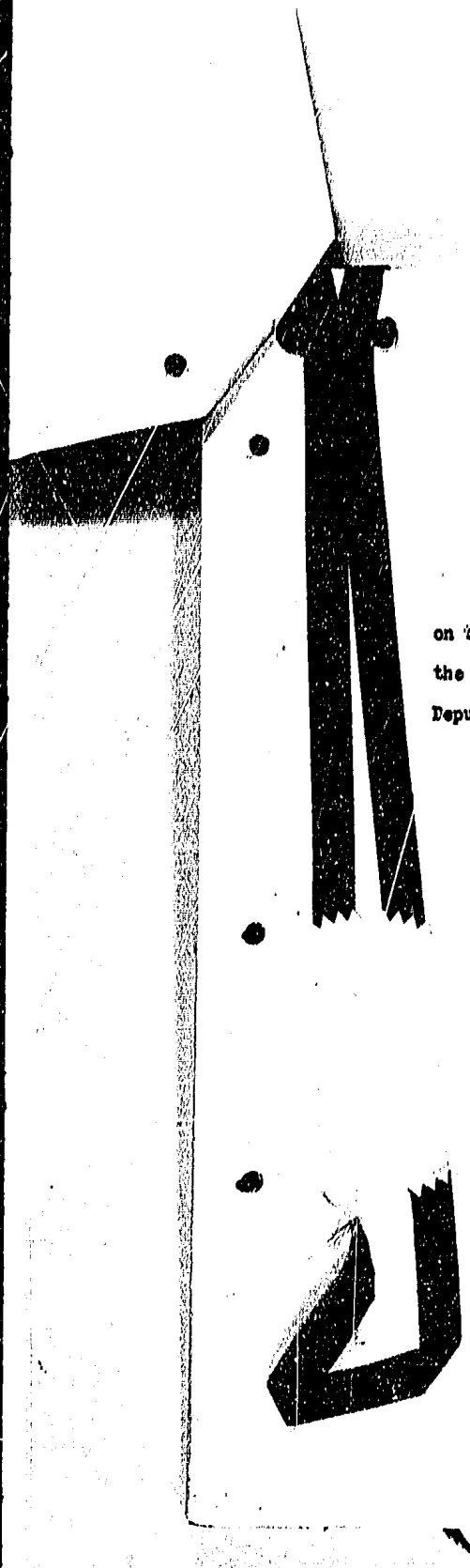
Seen for the legalisation of the seal of the Department of State of the United States affixed by —BARBARA HARTMAN— of the said Department.

British Vice Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this THIRTEENTH day of APRIL 1955

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.



C E R T I F I C A T E

I hereby certify that the signature appearing on the attached document dated April 7, 1955 is the true and correct signature of L. A. Jennings, Deputy Comptroller of the Currency.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Treasury Department to be affixed this 11th day of April, 1955.

By direction of the Secretary of the Treasury:

Lucile Henderson

Lucile Henderson
Chief, Document Distribution Section
Office of Administrative Services
Treasury Department

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
troller of the Currency } ss:

I, L. A. JENNINGS, Deputy Comptroller
e Currency, do hereby certify that the document hereto attached is
e and complete copy, as recorded in this office, of the Articles
ociation of The First National City Bank of New York, New York,
rk (Charter No. 1161) as amended to March 30, 1955.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 7th day of April, A. D. 1955.

Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

F 1835 (1)

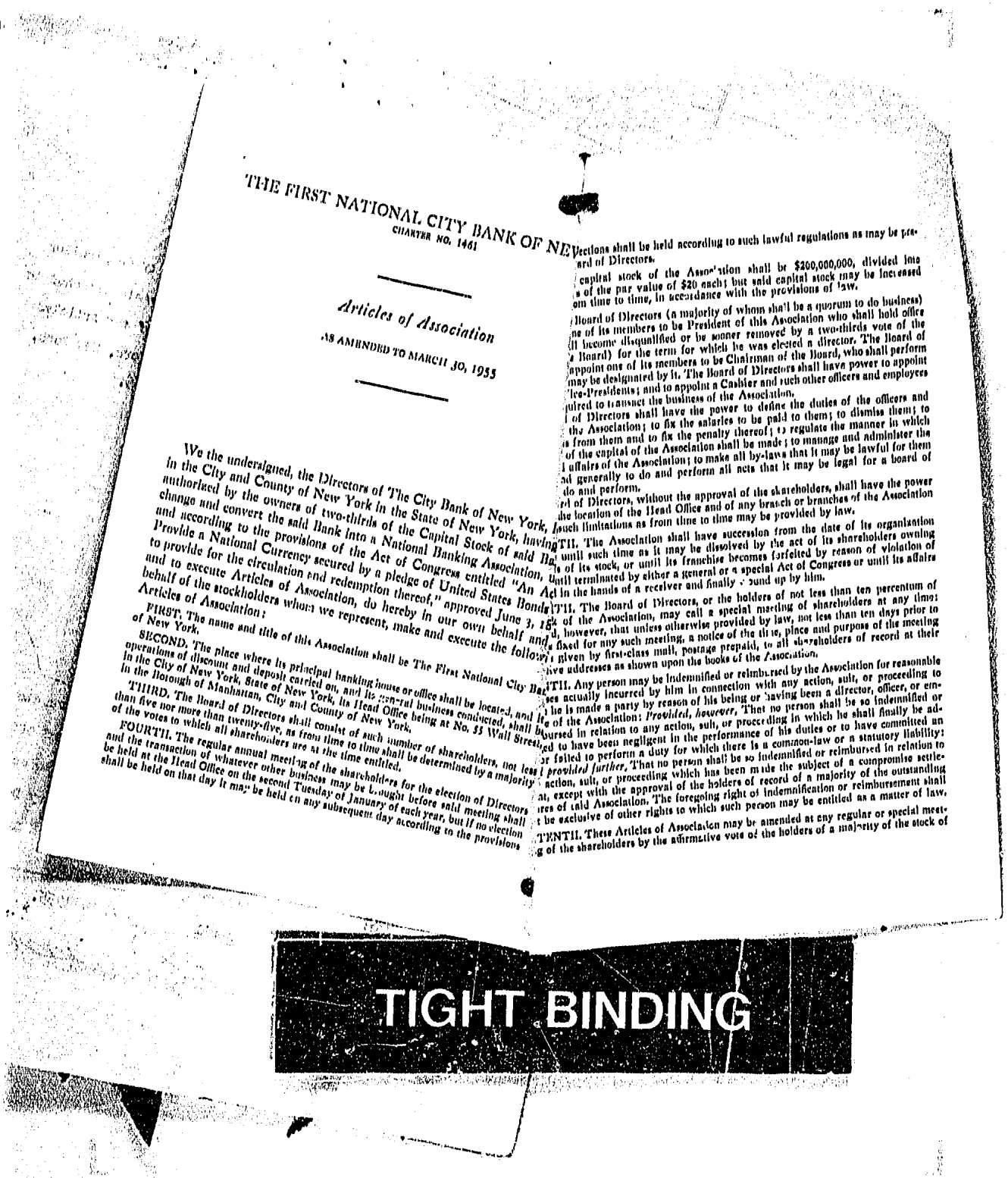
ARTICLES OF ASSOCIATION

OF

THE FIRST NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO MARCH 30, 1955

5/5/55



THE FIRST NATIONAL CITY BANK OF NE

CHARTER NO. 1461

Articles of Association

AS AMENDED TO MARCH 30, 1933

We the undersigned, the Directors of The City Bank of New York, in the City and County of New York in the State of New York, having authorized by the owners of two-thirds of the Capital Stock of said Ba change and convert the said Bank into a National Banking Association, and according to the provisions of the Act of Congress entitled "An Act Provide a National Currency secured by a pledge of United States Bonds to provide for the circulation and redemption thereof," approved June 3, 18 and to execute Articles of Association, do hereby in our own behalf and behalf of the stockholders whom we represent, make and execute the follow Articles of Association:

FIRST. The name and title of this Association shall be The First National City Ba of New York.

SECOND. The place where its principal banking house or office shall be located, and it operations of discount and deposit carried on, and its general business conducted, shall b in the City of New York, State of New York, its Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the second Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions

...ections shall be held according to such lawful regulations as may be pre...
...ard of Directors.

...capital stock of the Association shall be $200,000,000, divided into ...s of the par value of $20 each; but said capital stock may be increased ...om time to time, in accordance with the provisions of law.

...Board of Directors (a majority of whom shall be a quorum to do business) ...ne of its members to be President of this Association who shall hold office ...ll become disqualified or be sooner removed by a two-thirds vote of the ...s Board) for the term for which he was elected a director. The Board of ...appoint one of its members to be Chairman of the Board, who shall perform ...may be designated by it. The Board of Directors shall have power to appoint ...ice-Presidents; and to appoint a Cashier and such other officers and employees ...uired to transact the business of the Association.

...of Directors shall have the power to define the duties of the officers and ...the Association; to fix the salaries to be paid to them; to dismiss them; to ...s from them and to fix the penalty thereof; to regulate the manner in which ...of the capital of the Association shall be made; to manage and administer the ...affairs of the Association; to make all by-laws that it may be lawful for them ...ad generally to do and perform all acts that it may be legal for a board of ...do and perform.

...rd of Directors, without the approval of the shareholders, shall have the power ...the location of the Head Office and of any branch or branches of the Association ...such limitations as from time to time may be provided by law.

...TH. The Association shall have succession from the date of its organization ...until such time as it may be dissolved by the act of its shareholders owning ...s of its stock, or until its franchise becomes forfeited by reason of violation of ...until terminated by either a general or a special Act of Congress or until its affairs ...in the hands of a receiver and finally wound up by him.

...TH. The Board of Directors, or the holders of not less than ten percentum of ...of the Association, may call a special meeting of shareholders at any time; ...d, however, that unless otherwise provided by law, not less than ten days prior to ...fixed for any such meeting, a notice of the time, place and purpose of the meeting ...given by first-class mail, postage prepaid, to all shareholders of record at their ...ive addresses as shown upon the books of the Association.

...TH. Any person may be indemnified or reimbursed by the Association for reasonable ...ses actually incurred by him in connection with any action, suit, or proceeding to ...he is made a party by reason of his being or having been a director, officer, or em... of the Association: *Provided, however,* That no person shall be so indemnified or ...bursed in relation to any action, suit, or proceeding in which he shall finally be ad...ged to have been negligent in the performance of his duties or to have committed an ...or failed to perform a duty for which there is a common-law or a statutory liability; ...*provided further,* That no person shall be so indemnified or reimbursed in relation to ...action, suit, or proceeding which has been made the subject of a compromise settle...at, except with the approval of the holders of record of a majority of the outstanding ...res of said Association. The foregoing right of indemnification or reimbursement shall ...be exclusive of other rights to which such person may be entitled as a matter of law.

...TENTH. These Articles of Association may be amended at any regular or special meet...g of the shareholders by the affirmative vote of the holders of a majority of the stock of

TIGHT BINDING

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

No. of Company F. 1835/101

Form No. 4 F.
4/57.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

REGISTERED
8 OCT 1957

Pursuant to Section 409.

Name of Company: THE FIRST NATIONAL CITY BANK OF NEW YORK

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 109, THE HEADROW, LEEDS, 1;
12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by
THE FIRST NATIONAL CITY BANK OF NEW YORK,
117 Old Broad St.,
London, E.C.2.

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of THE FIRST NATIONAL CITY BANK OF NEW YORK

a company incorporated in (b) THE BOROUGH OF MANHATTAN, NEW YORK and which has established a place in business in Great Britain at 117 Old Broad Street, London, E.C.2, and 17 Bruton Street, London, W.1.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

We enclose:-

1 copy of this Bank's Articles of Association as amended to July 26, 1957, certified by the Deputy Comptroller of the Currency, authenticated by the Treasury Department and the Department of State (3417-16) which has also been authenticated by the British Embassy in Washington, D.C.

Record for Filing.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

THE FIRST NATIONAL CITY BANK OF NEW YORK

Manager

Dated the Seventh day of October 1957.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. 5417-16

United States of America

REGISTERED
8 - OCT 1957

DEPARTMENT OF STATE

...ll to whom these presents shall come, Greeting:

I Certify That the document hereunto annexed is under the ... of the Treasury Department of the United States of ...ica, and that such seal is entitled to full faith and ...t.*

Seen for the legalisation of the seal of the Department of State of the United States affixed by Barbara Hartman of the said Department.

W.B. Dobson.

H.M. Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this nineteenth day of August 1957

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, CHRISTIAN A. HERTER,

Acting Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this fifteenth day of August, 1957.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Christian A. Herter
Acting Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—80016-5

INDISTINCT ORIGINAL

United States of America

3417-16

TREASURY DEPARTMENT
WASHINGTON

August 13, 1957
(Date)

T[illegible] WHOM THESE PRESENTS SHALL COME, GREETING:

[illegible]tify that the annexed certificate, dated August 13, 1957, hereto a[illegible]signed by L. A. Jennings as Deputy Comptroller of the Currency, b[illegible]enuine signature, and that the seal of the Office of the Comptroller o[illegible]ncy affixed thereto in attestation thereof is the official seal o[illegible]roller of the Currency.

[illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Lucile Henderson
Chief, Document Distribution Unit
Office of Administrative Services
Treasury Department

Treasury Department Stock Form 2247 (Rev. Nov. 1949)

16—81077-3 U.S. GOVERNMENT PRINTING OFFICE

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, L. A. JENNINGS, Deputy Comptroller of the Currency, hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association of The First National City Bank of New York, New York, New York, (Charter No. 1461) as amended to July 26, 1957.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 13th day of August, A. D. 1957

L. A. Jennings

Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

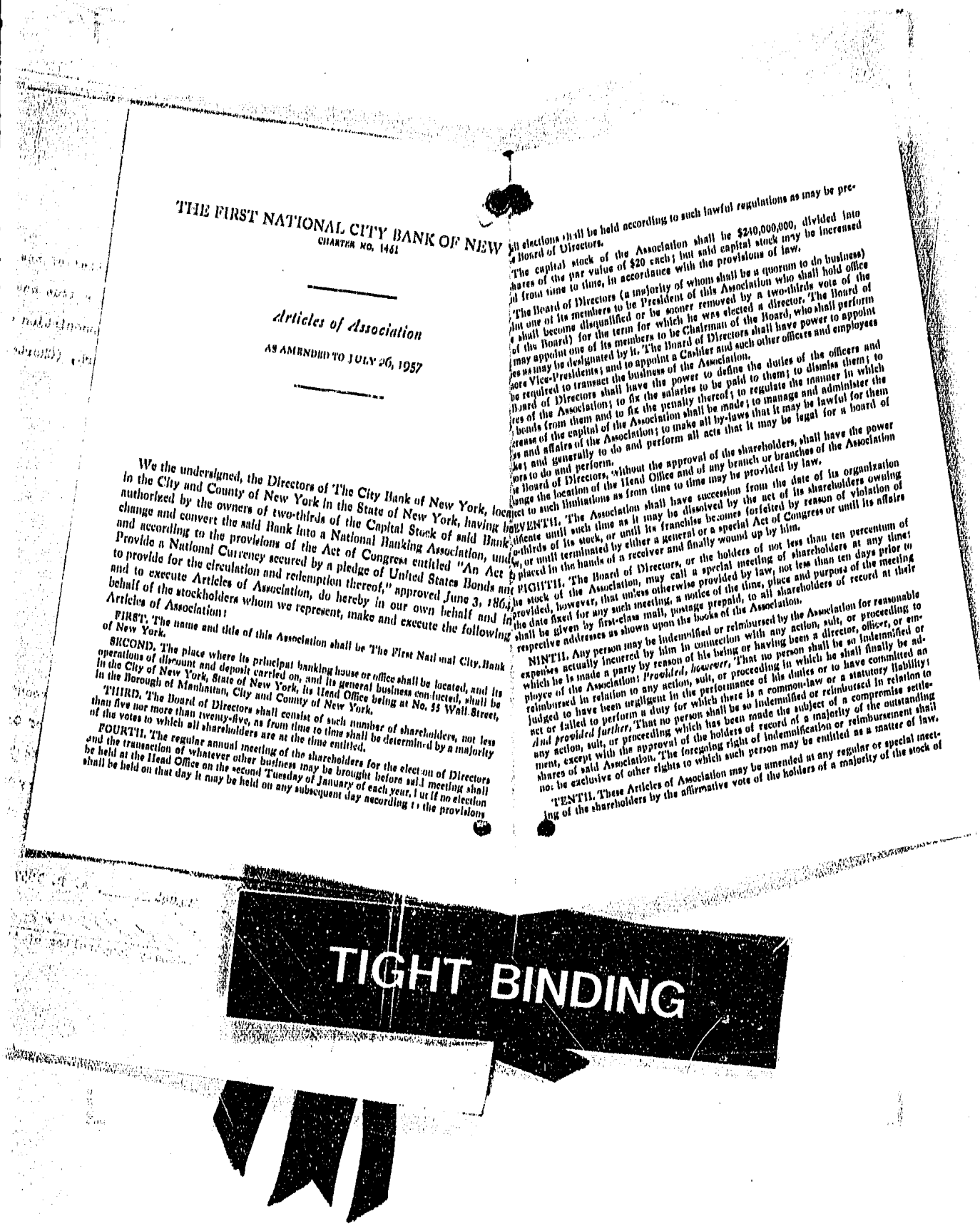
F1835

ARTICLES OF ASSOCIATION

OF

THE FIRST NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO JULY 26, 1957


THE FIRST NATIONAL CITY BANK OF NEW
CHARTER NO. 1461
Articles of Association
AS AMENDED TO JULY 26, 1957
We the undersigned, the Directors of The City Bank of New York, loca
in the City and County of New York in the State of New York, having b
authorized by the owners of two-thirds of the Capital Stock of said Bank
change and convert the said Bank into a National Banking Association, und
and according to the provisions of the Act of Congress entitled "An Act
Provide a National Currency secured by a pledge of United States Bonds an
to provide for the circulation and redemption thereof," approved June 3, 1864
and to execute Articles of Association, do hereby in our own behalf and in
behalf of the stockholders whom we represent, make and execute the following
Articles of Association:
FIRST. The name and title of this Association shall be The First National City Bank
of New York.
SECOND. The place where its principal banking house or office shall be located, and its
operations of discount and deposit carried on, and its general business conducted, shall be
in the City of New York, State of New York, its Head Office being at No. 55 Wall Street,
in the Borough of Manhattan, City and County of New York.
THIRD. The Board of Directors shall consist of such number of shareholders, not less
than five nor more than twenty-five, as from time to time shall be determined by a majority
of the votes to which all shareholders are at the time entitled.
FOURTH. The regular annual meeting of the shareholders for the election of Directors
and the transaction of whatever other business may be brought before said meeting shall
be held at the Head Office on the second Tuesday of January of each year. But if no election
shall be held on that day it may be held on any subsequent day according to the provisions
all elections shall be held according to such lawful regulations as may be pre-
a Board of Directors.
The capital stock of the Association shall be $210,000,000, divided into
shares of the par value of $20 each; but said capital stock may be increased
d from time to time, in accordance with the provisions of law.
The Board of Directors (a majority of whom shall be a quorum to do business)
int one of its members to be President of this Association who shall hold office
e shall become disqualified or be sooner removed by a two-thirds vote of the
of the Board) for the term for which he was elected a director. The Board of
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be required to transact the business of the Association.
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EIGHTH. The Board of Directors, or the holders of not less than ten percentum of
he stock of the Association, may call a special meeting of shareholders at any time;
provided, however, that unless otherwise provided by law, not less than ten days prior to
the date fixed for any such meeting, a notice of the time, place and purpose of the meeting
shall be given by first-class mail, postage prepaid, to all shareholders of record at their
respective addresses as shown upon the books of the Association.
NINTH. Any person may be indemnified or reimbursed by the Association for reasonable
expenses actually incurred by him in connection with any action, suit, or proceeding to
which he is made a party by reason of his being or having been a director, officer, or em-
ployee of the Association: *Provided, however*, That no person shall be so indemnified or
reimbursed in relation to any action, suit, or proceeding in which he shall finally be ad-
judged to have been negligent in the performance of his duties or to have committed an
act or failed to perform a duty for which there is a common-law or a statutory liability;
And provided further, That no person shall be so indemnified or reimbursed in relation to
any action, suit, or proceeding which has been made the subject of a compromise settle-
ment, except with the approval of the holders of record of a majority of the outstanding
shares of said Association. The foregoing right of indemnification or reimbursement shall
not be exclusive of other rights to which such person may be entitled as a matter of law.
TENTH. These Articles of Association may be amended at any regular or special meet-
ing of the shareholders by the affirmative vote of the holders of a majority of the stock of
TIGHT BINDING

the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREEN,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Green, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

No. of Company F. 1335 /107

Form No. 4 F.

4/57.

COMPANIES REGISTRATION FIVE SHILLINGS

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: THE FIRST NATIONAL CITY BANK OF NEW YORK.

REGISTERED 22 MAR 1960

2

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 109, THE HEADROW, LEEDS, 1;
12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by

The First National City Bank of New York,

117, Old Broad Street, London E.C.2.

COMPANIES REGISTRATION OFFICE 22 MAR 1960

RETURN OF ALTERATION IN THE (a) Articles of Association,

constituting or defining the constitution of The First National City Bank of New York,

a company incorporated in (b) Borough of Manhattan, City of New York and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

A certified true copy of the Articles of Association of the Company as amended to January 14, 1960 accompanies this Return. The fourth and fifth Articles reflect the change in the date for the Regular Annual Meeting of Shareholders and the capital increase by stock dividend respectively.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

For The
First National City Bank of New York,

[signature]

Manager.

Dated the twenty-first day of March 1960.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. 60/222-11

United States of America

DEPARTMENT OF STATE

To whom these presents shall come, Greeting:

Certify That the document hereunto annexed is under the seal of the Treasury Department of the United States of America, and such seal is entitled to full faith and credit.

Seen for the legalisation of the seal of the Department of State of the United States affixed by Barbara Hartman of the said Department.

British Vice Consul

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this 22nd day of February 1960

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, C. DOUGLAS DILLON, Acting Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twenty-second day of February, 1960.

FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

C. Douglas Dillon
Acting Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—80016-3

INDISTINCT ORIGINAL

United States of America

61/777-A

TREASURY DEPARTMENT
WASHINGTON

....February..8,..1960
(Date)

TO AL[illegible]HOM THESE PRESENTS SHALL COME, GREETING:

[illegible]fy that the annexed certificate, dated February 8, 1960, hereto attac[illegible]gned by L. A. Jennings as Deputy Comptroller of the Currency, bears his [illegible]signature, and that the seal of the Office of the Comptroller of the C[illegible] affixed thereto in attestation thereof is the official seal of the Compt[illegible]f the Currency.

on fi[illegible]s Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Lucile Henderson
Chief, Document Distribution Unit
[illegible] Administrative Services
Treasury Department

Treasury [illegible] 2367 (Rev. Nov. 1949)

16—54077-3 U. S. GOVERNMENT PRINTING OFFICE

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

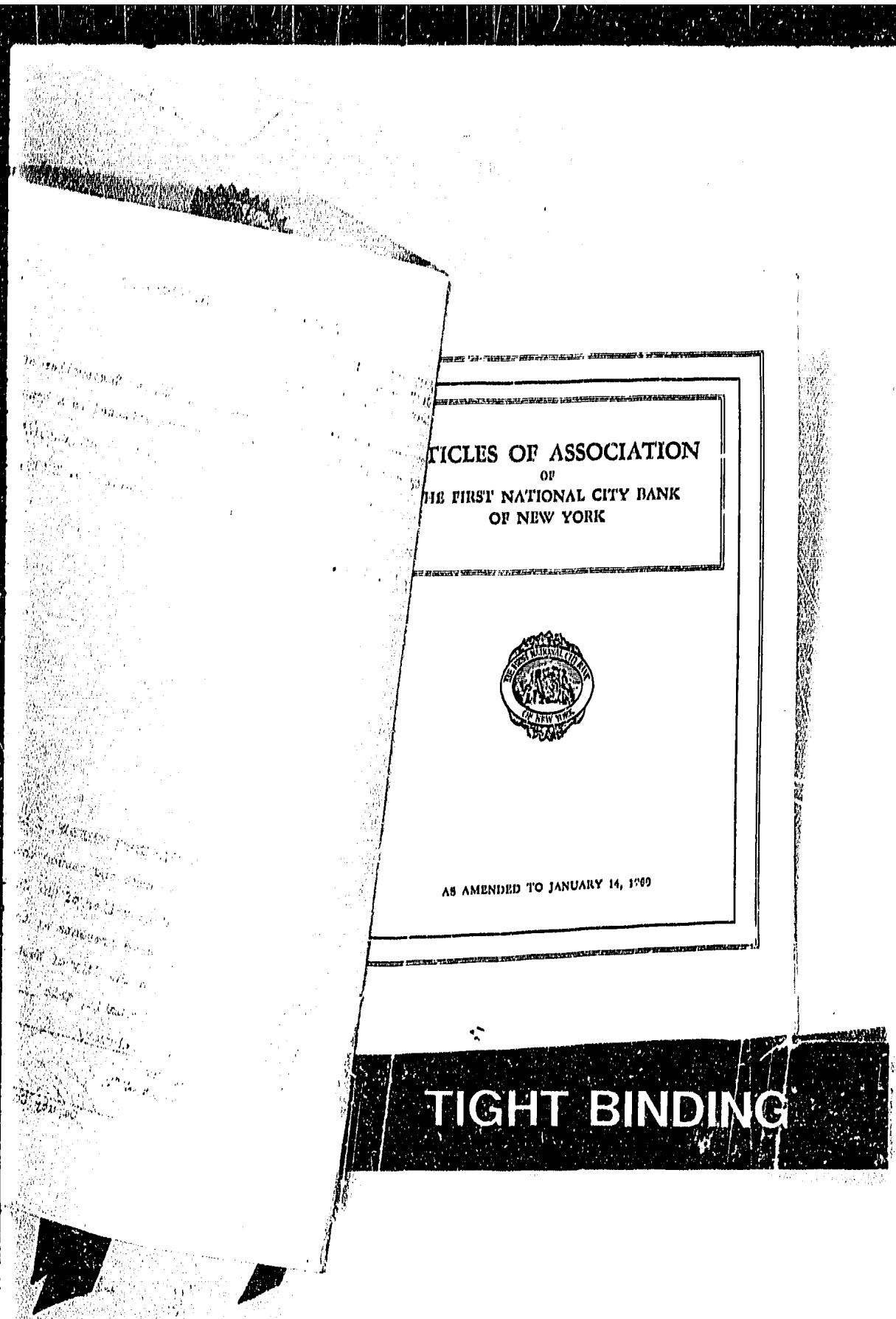
TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, L. A. JENNINGS, Deputy Comptroller of the Currency, hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association of The First National City Bank of New York, New York (Charter No. 1461), as amended to January 14, 1960.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 8th day of February, A. D. 1960.

L. A. Jennings
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL


TICLES OF ASSOCIATION
OF
HE FIRST NATIONAL CITY BANK
OF NEW YORK
AS AMENDED TO JANUARY 14, 1969
TIGHT BINDING

THE F ATIONAL CITY BANK OF
CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 14, 1960

We the undersigned, the Directors of The City Bank of New Y
in the City and County of New York in the State of New Y
been authorized by the owners of two-thirds of the Capital St
Bank to change and convert the said Bank into a National Ba
ciation, under and according to the provisions of the Act o
entitled "An Act to Provide a National Currency secured by a
United States Bonds and to provide for the circulation and r
thereof," approved June 3, 1864, and to execute Articles of Assoc
hereby in our own behalf and in behalf of the stockholders whom
sent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be The First Nati
Bank of New Y

SECOND. The place where its principal banking house or office shall be
and its operations of discount and deposit carried on, and its general busi
ducted, shall be in the City of New York, State of New York, its Head Offi
at No. 55 Wall Street, in the Borough of Manhattan, City and County of Ne

THIRD. The Board of Directors shall consist of such number of share
not less than five nor more than twenty-five, as from time to time shall be
mined by a majority of the votes to which all shareholders are at the time enti

FOURTH. The regular annual meeting of the shareholders for the electi
Directors and the transaction of whatever other business may be brought before
meeting shall be held at the Head Office on the third Tuesday of January o
year, but if no election shall be held on that day it may be held on any subse
day according to the provisions of law; and all elections shall be held accordi
such lawful regulations as may be prescribed by the Board of Directors.

pital stock of the Association shall be $244,000,000, divided into
f the par value of $20 each; but said capital stock may be
ed from time to time, in accordance with the provisions of law.

oard of Directors (a majority of whom shall be a quorum to do
oint one of its members to be President of this Association who
unless he shall become disqualified or be sooner removed by a
the members of the Board) for the term for which he was elected
oard of Directors may appoint one of its members to be Chairman
e shall perform such duties as may be designated by it. The Board
have power to appoint one or more Vice-Presidents; and to appoint
ch other officers and employees as may be required to transact the
sociation.

Directo shall have the power to define the duties of the officers and
Association; to fix the salaries to be paid to them; to dismiss them;
from them and to fix the penalty thereof; to regulate the manner
crease of the capital of the Association; to make all by-laws that
the business and affairs of the Association shall be made; to manage
ful for them to make; and generally to do and perform all acts that
for a board of directors to do and perform.

Directors, without the approval of the shareholders, shall have the
age the location of the Head Office and of any branch or branches
dation subject to such limitations as from time to time may be provided

The Association shall have succession from the date of its organiza-
until such time as it may be dissolved by the act of its shareholders
thirds of its stock, or until its franchise becomes forfeited by reason
of law, or until terminated by either a general or a special Act of
until its affairs be placed in the hands of a receiver and finally wound

The Board of Directors, or the holders of not less than ten percentum
of the Association, may call a special meeting of shareholders at any
vided, however, that unless otherwise provided by law, not less than ten
to the date fixed for any such meeting, a notice of the time, place and
the meeting shall be given by first-class mail, postage prepaid, to all
rs of record at their respective addresses as shown upon the books of the
n.

Any person may be indemnified or reimbursed by the Association for
e expenses actually incurred by him in connection with any action, suit,
ding to which he is made a party by reason of his being or having been
, officer, or employee of the Association; *Provided, however*, That no
shall be so indemnified or reimbursed in relation to any action, suit, or pro-
in which he shall finally be adjudged to have been negligent in the perform-
his duties or to have committed an act or failed to perform a duty for which
a common law or a statutory liability; *And provided further*, That no person
e so indemnified or reimbursed in relation to any action, suit, or proceeding
has been made the subject of a compromise settlement, except with the
al of the holders of record of a majority of the outstanding shares of said
ration. The foregoing right of indemnification or reimbursement shall not be
of other rights to which such person may be entitled as a matter of law.

NTH. These Articles of Association may be amended at any regular or special
ng of the shareholders by the affirmative vote of the holders of a majority of
tock of the Association, unless the vote of the holders of a greater amount of

TIGHT BINDING

stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

INDISTINCT ORIGINAL

No. of Company F. 1835 / 11

Form No. 4 F.

4/57.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: THE FIRST NATIONAL CITY BANK OF NEW YORK

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, [illegible]
77, Colmore Row, Birmingham, 3; 100, The Headrow, Leeds, 1;
12 & 14, Brown Street, Manchester, 2.

Presented by
The First National City Bank of New York,
117 Old Broad Street,
London, E.C.2.

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of THE FIRST NATIONAL CITY BANK OF NEW YORK

a company incorporated in (b) THE BOROUGH OF MANHATTAN, NEW YORK and which has established a place in business in Great Britain at 117 Old Broad Street, London, E.C.2. and 17 Bruton Street, London, W.1.

(c) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to.

We enclose:-

1 copy of this Bank's Articles of Association as amended to 19th January, 1961, certified by the Deputy Comptroller of the Currency, authenticated by the Treasury Department and the Department of State which has also been authenticated by the British Embassy in Washington, D.C.
The fifth and ninth Articles reflect the capital increase by stock dividend and the change in the indemnification clause respectively.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

THE FIRST NATIONAL CITY BANK OF NEW YORK

Accountant

Dated the eighth day of March, 19 61

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 3 of the Companies (Forms) Order, 1949.*

F 1855

No. 61/219-2

United States of America

DEPARTMENT OF STATE

...o whom these presents shall come, Greeting:

...rtify That the document hereunto annexed is under the ...he Treasury Department of the United States of America, ...such seal is entitled to ...

Seen for the legalization of the seal of the Department of State of the United States affixed by BARBARA HARTMAN of the said Department.

A Powell

British Vice Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this 21st day of February 1961

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

FOREIGN SERVICE

In testimony whereof, I, DEAN RUSK, *Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this* seventeenth *day of* February, 19 61.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—50046-6

INDISTINCT ORIGINAL

62719-2

United States of America

TREASURY DEPARTMENT
WASHINGTON

January 31, 1961
(Date)

TO ALL [illegible] M THESE PRESENTS SHALL COME, GREETING:

[illegible]y that the annexed certificate, dated January 31, 1961, hereto attach[illegible]ned by H. S. Haggard as Deputy Comptroller of the Currency, bears his g[illegible]gnature, and that the seal of the Office of the Comptroller of the Cu[illegible]affixed thereto in attestation thereof is the official seal of the Compt[illegible] the Currency.

on fi[illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucille Henderson

Lucille Henderson
Chief, Document Distribution Unit
Office of [illegible]
Treasury Department

Treasur[illegible] 3847 (Rev. Nov. 1949)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT)
Office of) ss
Comptroller of the Currency)

I, H. S. Haggard, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association of The First National City Bank of New York, New York (Charter No. 1461), as amended to January 19, 1961.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of the Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 31st day of January, A. D. 1961.

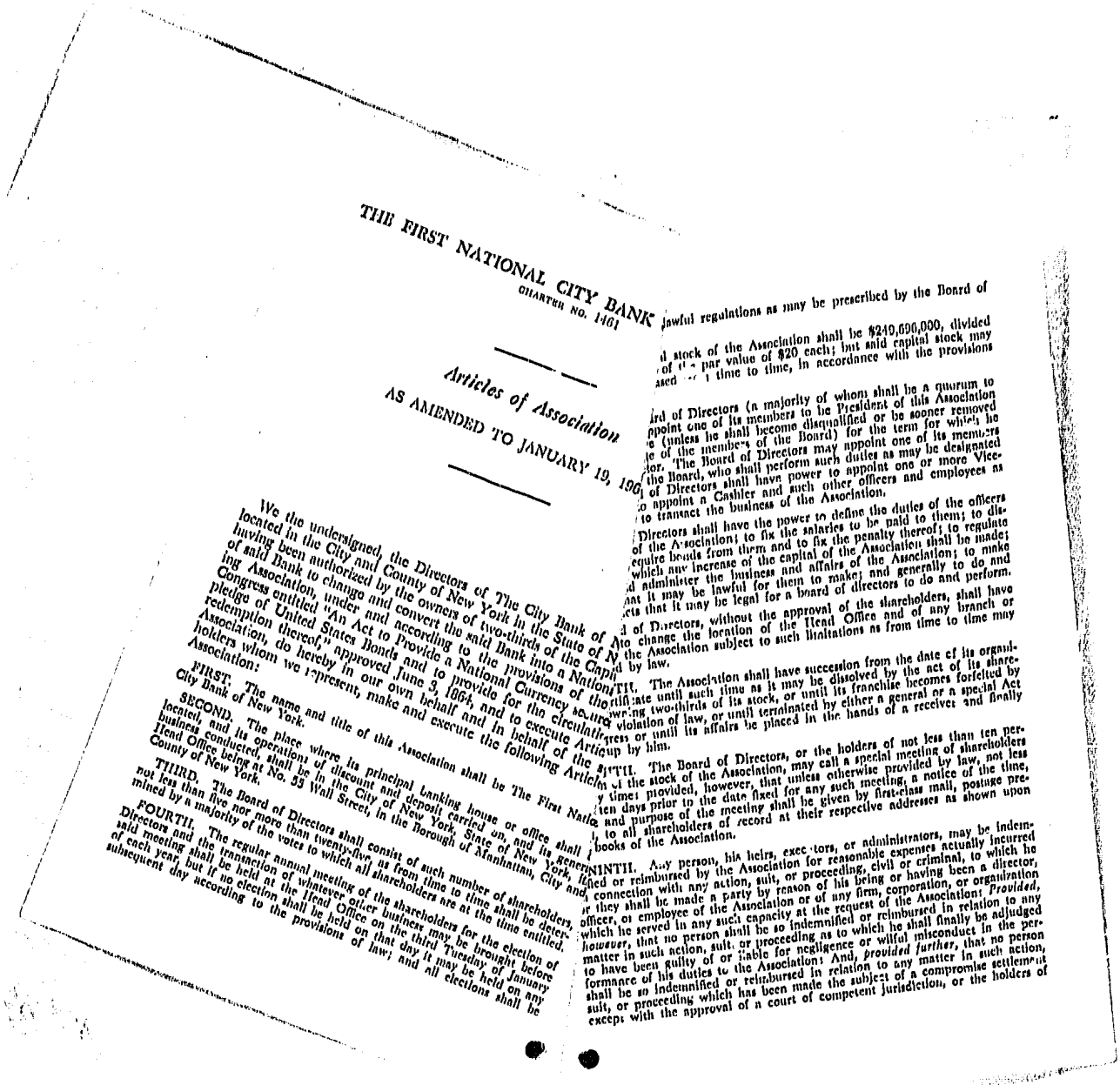
H. S. Haggard
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION
OF
THE FIRST NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO JANUARY 19, 1961

INDISTINCT ORIGINAL



THE FIRST NATIONAL CITY BANK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 19, 196

We the undersigned, the Directors of The City Bank of New York in the State of N located in the City and County of New York in the State of N having been authorized by the owners of two-thirds of the Capi of said Bank to change and convert the said Bank into a National ing Association, under and according to the provisions of the Congress entitled "An Act to Provide a National Currency se pledge of United States Bonds and to provide for the circulati redemption thereof," approved June 3, 1864, and in behalf of the Association, do hereby in our own behalf and in behalf of the holders whom we represent, make and execute the following Articles Association:

FIRST. The name and title of this Association shall be The First Natio City Bank of New York.

SECOND. The place where its principal banking house or office shall located, and its operations of discount and deposit carried on, and its gener business conducted, shall be in the City of New York, State of New York, Head Office being at No. 55 Wall Street, in the Borough of Manhattan, City and County of New York.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be

lawful regulations as may be prescribed by the Board of

l stock of the Association shall be $249,600,000, divided of the par value of $20 each; but said capital stock may ased or reduced from time to time, in accordance with the provisions

ird of Directors (a majority of whom shall be a quorum to ppoint one of its members to be President of this Association e (unless he shall become disqualified or be sooner removed e of the members of the Board) for the term for which he tor. The Board of Directors may appoint one of its members the Board, who shall perform such duties as may be designated of Directors shall have power to appoint one or more Vice- o appoint a Cashier and such other officers and employees as to transact the business of the Association.

Directors shall have the power to define the duties of the officers of the Association; to fix the salaries to be paid to them; to dis- equire bonds from them and to fix the penalty thereof; to regulate which any increase of the capital of the Association shall be made; d administer the business and affairs of the Association; to make at it may be lawful for them to make; and generally to do and cts that it may be legal for a board of directors to do and perform.

d of Directors, without the approval of the shareholders, shall have to change the location of the Head Office and of any branch or the Association subject to such limitations as from time to time may by law.

TH. The Association shall have succession from the date of its organi- tificate until such time as it may be dissolved by the act of its share- owning two-thirds of its stock, or until its franchise becomes forfeited by violation of law, or until terminated by either a general or a special Act ress or until its affairs be placed in the hands of a receiver and finally up by him.

TH. The Board of Directors, or the holders of not less than ten per- of the stock of the Association, may call a special meeting of shareholders y time; provided, however, that unless otherwise provided by law, not less ten days prior to the date fixed for any such meeting, a notice of the time, and purpose of the meeting shall be given by first-class mail, postage pre- to all shareholders of record at their respective addresses as shown upon books of the Association.

NTH. Any person, his heirs, executors, or administrators, may be indem- fied or reimbursed by the Association for reasonable expenses actually incurred connection with any action, suit, or proceeding, civil or criminal, to which he r they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association; *Provided*, *however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the per- formance of his duties to the Association; And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of

TIGHT BINDING

record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

RESOLVED that Article Ninth of the Articles of Association of the Bank is hereby amended to read as follows:

"NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law."

RESOLUTIONS

RESOLVED that upon obtaining a certificate of approval by the Comptroller of the Currency, effective as at 3 P.M. on January 19, 1961:

(1) The capital stock of the Bank be increased $4,896,000 by stock dividend of 244,800 shares of the par value of $20 each, at the rate of one additional share for each fifty shares presently outstanding, to each shareholder of record at 3 P.M. on January 19, 1961, with any rights to less than one full share being represented by an interest in one full share (herein called a "Fractional Interest"), as provided below, in lieu of a fractional share (no fractional shares being issued), such stock dividend to be, as to date payable and otherwise, upon the following terms and conditions:

(a) On or about February 17, 1961 there shall be mailed to each shareholder entitled to such stock dividend a stock certificate, where appropriate, for the full share or shares of stock, if any, to which the shareholder is entitled, information and instructions relating to the use and the terms and conditions of Fractional Interests, and, where appropriate, an Order form specifying the amount of the Fractional Interest, if any, to which the shareholder is entitled, which may be used by the shareholder for selling his Fractional Interest or for purchasing such additional Fractional Interest as will equal one full share.

(b) First National City Trust Company (herein called the "Agent") shall act, upon the terms and conditions contained in this resolution and such additional terms and conditions as any officer of the Bank may approve, as agent, and for the account and risk, of any shareholder entitled to any Fractional Interest, in connection with the sale or purchase of any Fractional Interest or full shares.

(c) The Agent shall be the record holder of all shares at any time represented by Fractional Interests. Nominee shareholders shall be afforded an opportunity, during such period and upon such terms and conditions as any officer of the Bank may approve, to exchange full shares for Fractional Interests.

(d) All Orders for the sale or purchase of Fractional Interests must be received by the Agent prior to the close of business on March 20, 1961.

(e) The Agent shall sell or purchase a Fractional Interest pursuant to each Order as promptly as practicable after receipt of such Order by matching Sale Orders against Purchase Orders and, to the extent necessary, by sales or purchases of full shares in the over-the-counter market in New York City. The price at which each such sale or purchase of a Fractional Interest shall be deemed to be made shall be based upon the average price, on the day on which such sale or purchase is made, in such sales and purchases by the Agent in such market. If no such sale or purchase is made by the Agent on that day, the price shall be based upon the mean between the bid and asked prices for stock of the Bank in such market on that day, as ascertained by the Agent. The Agent shall remit to each shareholder selling a Fractional Interest the proceeds thereof, less transfer taxes, and shall collect from each shareholder purchasing a Fractional Interest payment therefor in such form and manner as provided in the information and instructions referred to in paragraph (a) above or, in individual cases, as may be approved by any officer of the Bank.

(f) Fractional Interests (or the full shares represented thereby) as to which no Orders shall have been received by the Agent prior to the close of business on March 20, 1961, shall be sold by the Agent, as promptly as practicable, to fill Purchase Orders (at a price determined as provided in paragraph (e) above) or in the over-the-counter market in New York City. The Agent shall remit to each shareholder entitled to any such Fractional Interest his pro rata share of the net proceeds (less transfer taxes) of all such sales.

(g) The Agent shall be the sole judge with respect to all matters in connection with all sales and purchases, including, without limitation, such matters as (subject to paragraphs (e) and (f) above) the price at which sales and purchases are made, the volume sold or purchased at any time, the time of each sale or purchase and the person with whom each sale or purchase is made.

(h) Each stock certificate representing additional shares issued in such stock dividend shall be in all respects (including the endorsement thereon relating to stock of First National City Trust Company) in substantially the same form as certificates for stock of the Bank now outstanding.

(2) $4,896,000 shall be transferred to Capital from Undivided Profits.

(3) Article Fifth of the Articles of Association of the Bank is amended to read as follows:

"FIFTH. The capital stock of the Association shall be $249,696,000, divided into 12,484,800 shares of the par value of $20 each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law."

(4) The holders of such 244,800 additional shares of capital stock of the Bank shall be accorded proportionate beneficial interests in all shares of stock of First National City Trust Company from time to time held by the Trustees under the Trust Agreement dated June 29, 1929, as amended, on the same basis as all other shareholders of the Bank.

FURTHER RESOLVED that the officers of the Bank be, and each of them hereby is, authorized from time to time to execute and deliver any and all instruments and to perform any and all acts as any such officer shall deem necessary or appropriate to carry into effect the intents and purposes of the foregoing resolution.

No. of Company F. 1835 /114

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company { THE FIRST NATIONAL CITY BANK OF NEW YORK.

REGISTERED 30 JUN 1961

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 109, The Headrow, Leeds, 1;
12 & 14, Brown Street, Manchester, 2.

30 JUN 1961

Presented by The First National City Bank of New York,
117, Old Broad Street, London E.C.2.

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of THE FIRST NATIONAL CITY BANK OF NEW YORK

a company incorporated in (b) THE BOROUGH OF MANHATTAN, NEW YORK and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2, and 1/, Bruton Street, London W.1.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

* We enclose:-

1 copy of this Deed by Articles of Association as amended to April 18, 1951, certified by the Deputy Comptroller of the Currency, authenticated by the Treasury Department and the Department of State which has also been authenticated by the British Embassy in Washington, D.C.

The second and fourth Articles reflect the latitude to be given as to the location of the Bank's Head Office, and to the place of the regular Annual Meeting of shareholders, respectively.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

THE FIRST NATIONAL CITY BANK OF NEW YORK

[signature]
Accountant.

Dated the twenty-ninth day of June 1951.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 3 of the Companies (Forms) Order, 1949.*

No. 61/3727-16

United States of America

DEPARTMENT OF STATE

ll to whom these presents shall come, Greeting:

Certify *That the document hereunto annexed is under the seal*
a Treasury Department of the United States of America, and
*such seal is entitled to full faith and credit.**

[illegible] of the seal of the
[illegible] States
PATTIE H. FIELD

British Vice Consul

[illegible] United States

31st [illegible] MAY 1961

[illegible] British

In testimony whereof, I, DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Acting Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twenty-fifth *day of* May, *19*61

FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Pattie H. Field
Acting *Authentication Officer, Department of State.*

U. S. GOVERNMENT PRINTING OFFICE 16—[illegible]

INDISTINCT ORIGINAL

United States of America

TREASURY DEPARTMENT
WASHINGTON

May 15, 1961
(Date)

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I certify that the annexed certificate, dated May 12, 1961, hereto ed, signed by H. S. Haggard as Deputy Comptroller of the Currency, is genuine signature, and that the seal of the Office of the ller of the Currency affixed thereto in attestation thereof is the seal of the Comptroller of the Currency.

[illegible] this Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Lucile Henderson
Chief, Document Distribution Unit
Office of Administrative Services

Treasury [illegible] (Rev. Nov. 1949)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, H. S. Haggard, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy of the articles of association, as recorded in this office, of The First National City Bank of New York, New York, New York, as amended to April 18, 1961.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of the Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 12th day of May, A. D. 1961.

H. S. Haggard
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

THE FIRST NATIONAL CITY BANK
OF NEW YORK

AS AMENDED TO APRIL 10, 1961

THE FIRST NATIONAL CITY BANK OF NEW YORK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO APRIL 18, 1961

We the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be The First National City Bank of New York.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day accord- the provisions of law, and all elections shall be held according to such regulations as may be prescribed by the Board of Directors.

FTH. The capital stock of the Association shall be $249,696,000, divided 2,484,800 shares of the par value of $20 each; but said capital stock may creased or decreased from time to time, in accordance with the provisions w.

XTH. The Board of Directors (a majority of whom shall be a quorum to usiness) shall appoint one of its members to be President of this Association shall hold office (unless he shall become disqualified or be sooner removed a two-thirds vote of the members of the Board) for the term for which he elected a director. The Board of Directors may appoint one of its members e Chairman of the Board, who shall perform such duties as may be designated it. The Board of Directors shall have power to appoint one or more Vice-sidents; and to appoint a Cashier and such other officers and employees as y be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers d employees of the Association; to fix the salaries to be paid to them; to dis- them; to require bonds from them and to fix the penalty thereof; to regulate e manner in which any increase of the capital of the Association shall be made; manage and administer the business and affairs of the Association; to make l bylaws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per-centum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association; *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association; And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of

TIGHT BINDING

record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

INDISTINCT ORIGINAL

RESOLVED that Article Fourth of the Articles of Association of the Bank is hereby amended to read as follows:

"FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors."

RESOLVED that Article Second of the Articles of Association of the Bank is hereby amended to read as follows:

"SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches."

The First National City Bank of New York

Incorporated with limited liability under the National Bank Act of the United States of America.

ESTABLISHED 1812.
CABLES: CITIBANK.
PHONE: LONDON WALL 1881.
TELEX: LONDON 88888.

117, Old Broad Street,
London, E.C.2.

IN REPLYING PLEASE QUOTE INITIALS. WHP/CTDD-2.

June 29, 1961.

The Registrar of Companies,
Fush House,
Aldwych,
London W.C.2.

Dear Sir,

We enclose herewith certified copy of the Articles of Association of our Institution, together with copies of the resolutions reflecting the amendments to the second and fourth Articles, effective April 10, 1961.

Very truly yours,

W.H. Power.
Accountant.

Encs.

No. of Company F.1035. /115

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company { First National City Bank.

FEE REGISTRATION OFFICE 23 MAR 1959

Forwarded by the Company

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 100, THE HEADROW, LEEDS, 1;
12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by

First National City Bank,

117, Old Broad Street, London E.C. 2.

RETURN OF ALTERATION IN THE (a) Articles of Association,

constituting or defining the constitution of First National City Bank

a company incorporated in (b) The Borough of Manhattan, New York, and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2, and 17, Grafton Street, London W.1.

(a) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

We enclose:-

Copy of this Bank's Articles of Association as amended to January 19, 1962 and copy of the Certificate of the Comptroller of the Currency duly certified and authenticated. These documents have been certified by the Deputy Comptroller of the Currency and authenticated by the Treasury Department, the Department of State and the British Embassy.

The first article reflects the change in name of the Bank to First National City Bank and the fifth article reflects the capital increase by stock dividend.

Passed for Filing.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK.

G.L. Englander, Manager.

Dated the twenty-third day of March 1962.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

115 No. 02/772

United States of America

DEPARTMENT OF STATE

To all to whom these presents shall come, Greeting:

I Certify That the document hereunto annexed is under the seal of the Treasury Department of the United States of America, and that such seal is entitled to full faith and credit.*

In testimony whereof, I, DEAN RUSK, Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this seventh day of February, 1962.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By [signature]
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—00010-6

INDISTINCT ORIGINAL

Seen for the legalization of the seal of the Department of State of the United States affixed by MARGARET HARTMAN of the said Department.

British Vice Consul,

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this 12th day of January 1962

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

INDISTINCT ORIGINAL

United States of America

TREASURY DEPARTMENT
WASHINGTON

62/772

January 31, 1962.
(Date)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

I certify that the annexed certificate, dated January 31, 1962, hereto attached, signed by H. N. Haggard as Deputy Comptroller of the Currency, bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in attestation thereof is the official seal of the Comptroller of the Currency.

on file in this Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Lucile Henderson
Chief, Document Distribution Unit
Office of Administrative Services
Treasury Department

Treasury Department—Form 2847 (Rev. Nov. 1949)

U. S. GOVERNMENT PRINTING OFFICE

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, H. S. HAGGARD, Deputy Comptroller of the Currency, do hereby certify that the documents hereto attached are true and complete copies, as recorded in this office, of the Articles of Association of First National City Bank (Charter No. 1461), New York, New York, as amended to January 19, 1962, and of the certificate dated January 19, 1962, of James J. Saxon, Comptroller of the Currency, approving a change of the name of The First National City Bank of New York, New York, New York, Charter No. 1461, to "First National City Bank", effective at 3:00 P.M., Eastern Standard Time, January 19, 1962.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 31st day of January, A. D. 1962.

H. S. Haggard
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, H. S. HAGGARD, Deputy Comptroller of the Currency, do hereby certify that the documents hereto attached are true and complete copies, as recorded in this office, of the Articles of Association of First National City Bank (Charter No. 1461), New York, New York, as amended to January 19, 1962, and of the certificate dated January 19, 1962, of James J. Saxon, Comptroller of the Currency, approving a change of the name of The First National City Bank of New York, New York, New York, Charter No. 1461, to "First National City Bank", effective at 3:00 P.M., Eastern Standard Time, January 19, 1962.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 31st day of January, A. D. 1962.

H. S. Haggard
Deputy Comptroller of the Currency

Comptroller of the Currency

TREASURY DEPARTMENT — OF THE UNITED STATES

Washington, D. C.

Whereas, satisfactory notice has been transmitted to the Comptroller of the Currency evidencing that all requisite legal and corporate action has been taken by

THE FIRST NATIONAL CITY BANK OF NEW YORK

located in NEW YORK, *State of* NEW YORK, *in accordance with the statutes of the United States, to authorize a change of the name of that association to*

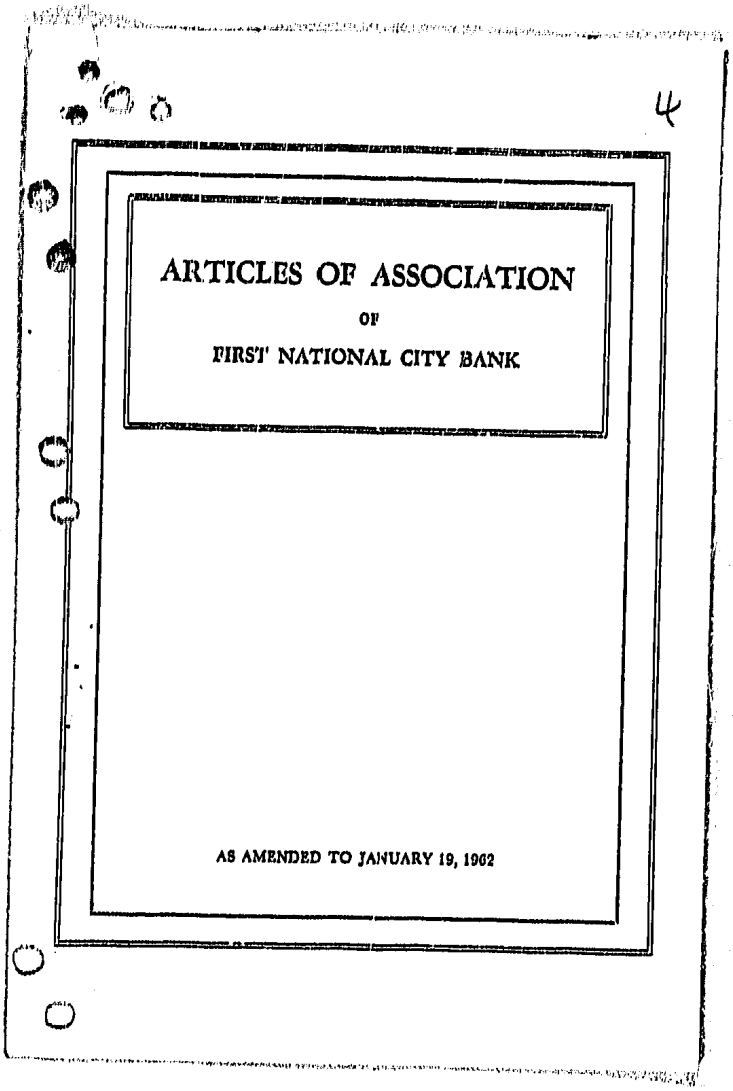
FIRST NATIONAL CITY BANK

Now, Therefore, it is hereby certified that such change of name of said association is approved, effective at 3:00 P. M., Eastern Standard Time, January 19, 1962.

In Testimony Whereof, witness my signature and seal of office this nineteenth *day of* January, 1962.

Comptroller of the Currency

Charter No. 1461



4

ARTICLES OF ASSOCIATION

OF

FIRST NATIONAL CITY BANK

AS AMENDED TO JANUARY 19, 1962

FIRST NATIONAL CITY BANK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 19, 1962

We the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The capital stock of the Association shall be $254,000,920, divided into 12,754,496 shares of the par value of $20 each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of

record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

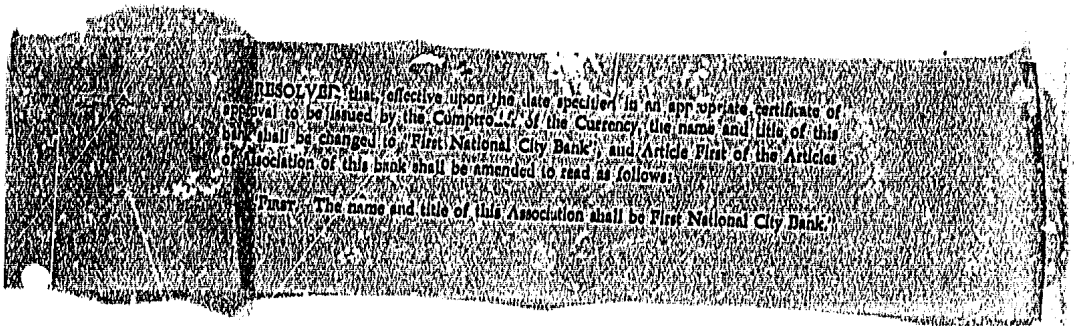
UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]



RESOLVED, that, effective upon the date specified in an appropriate certificate of approval to be issued by the Comptroller of the Currency, the name and title of this bank shall be changed to "First National City Bank"; and Article First of the Articles of Association of this bank shall be amended to read as follows:

"First. The name and title of this Association shall be First National City Bank."

RESOLUTIONS

RESOLVED that, effective at the time stated in the certificate of the Comptroller of the Currency specifying the amount of the increase of capital stock by stock dividend herein voted and his approval thereof:

(1) The capital stock of this Bank shall be increased by $4,993,920 by stock dividend of 249,696 shares of the par value of $20 each, to each shareholder of record at such effective time, payable at the rate of one additional share for each fifty shares outstanding immediately before such effective time, with any rights to less than one full share being represented by an interest in one full share (herein called a "Fractional Interest"), as provided below, in lieu of a fractional share (no fractional shares being issued), such stock dividend to be, as to the date of payment and otherwise, on the following terms and conditions:

(a) On or about February 16, 1962 there shall be mailed to each shareholder entitled to such stock dividend a stock certificate, where appropriate, for the full share or shares of stock, if any, to which the shareholder is entitled, information and instructions relating to the use and the terms and conditions of Fractional Interests, and, where appropriate, an Order form specifying the amount of the Fractional Interest, if any, to which the shareholder is entitled, which may be used by the shareholder for selling his Fractional Interest or for purchasing such additional Fractional Interest as will equal one full share;

(b) This Bank (herein called the "Agent" when acting in that capacity) shall act, upon the terms and conditions contained in this resolution and such additional terms and conditions as any officer of this Bank may approve, as agent, and for the account and risk, of any shareholder entitled to any Fractional Interest, in connection with the sale or purchase of any Fractional Interest or full shares;

(c) The Agent shall be the record holder of all shares at any time represented by Fractional Interests. Nominee shareholders shall be afforded an opportunity, during such period and upon such terms and conditions as any officer of this Bank may approve, to exchange full shares for Fractional Interests;

(d) All Orders for the sale or purchase of Fractional Interests must be received by the Agent prior to the close of business on March 19, 1962;

(e) The Agent shall sell or purchase a Fractional Interest pursuant to each Order as promptly as practicable after receipt of such Order by matching Sale Orders against Purchase Orders and, to the extent necessary, by sales or purchases of full shares in the over-the-counter market in New York City. The price at which each such sale or purchase of a Fractional Interest shall be deemed to be made shall be based upon the average price, on the day on which such sale or purchase is made, of such sales and purchases by the Agent in such market. If no such sale or purchase is made by the Agent on that day, the price shall be based upon the mean between the bid and asked prices for stock of this Bank in such market on that day, as ascertained by the Agent. The Agent shall remit to each shareholder selling a Fractional Interest the proceeds thereof, less transfer taxes, and shall collect from each shareholder purchasing a Fractional Interest payment therefor in such form and manner as provided in the information and instructions referred to in paragraph (a) above or, in individual cases, as may be approved by any officer of this Bank;

(f) Fractional Interests (or the full shares represented thereby) as to which no Orders shall have been received by the Agent prior to the close of business on March 19, 1962, shall be sold by the Agent, as promptly as practicable, to fill Purchase Orders (at a price determined as provided in paragraph (d) above) or in the over-the-counter market in New York City. The Agent shall remit to each shareholder entitled to any such Fractional Interest his pro rata share of the net proceeds (less transfer taxes) of all such sales; and

(g) The Agent shall be the sole judge with respect to all matters in connection with all sales and purchases, including, without limitation, such matters as (subject to paragraphs (e) and (f) above) the price at which sales and purchases are made, the volume sold or purchased at any time, the time of each sale or purchase and the person with whom each sale or purchase is made.

(2) $4,993,920 shall be transferred to Capital from Undivided Profits.

(3) Article Fifth of the Articles of Association of the Bank is amended to read as follows:
"FIFTH. The capital stock of the Association shall be $254,689,920, divided into 12,734,496 shares of the par value of $20 each; but said capital stock may be increased or decreased from time to time, in accordance with the provisions of law."

(4) The holders of such 249,696 additional shares of capital stock of the Bank shall be accorded proportionate beneficial interests in all shares of stock of First National City Trust Company from time to time held by the Trustees under the Trust Agreement dated June 29, 1929, as amended, on the same basis as all other shareholders of the Bank.

FURTHER RESOLVED that the officers of the Bank be, and each of them hereby is, authorized from time to time to execute and deliver any and all instruments and to perform any and all acts as any such officer shall deem necessary or appropriate to carry into effect the intents and purposes of the foregoing resolution.

No. of Company F. 1035.

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: First National City Bank.

Reserved for Binding.

REGISTERED 1 FEB 1963

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
65 & 66, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 109, The Headrow, Leeds, 1;
12 & 14, Brown Street, Manchester, 2.

1 FEB 1963

Presented by First National City Bank,
117, Old Broad St., London E.C.2.

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of First National City Bank

a company incorporated in (b) The Borough of Manhattan, New York and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2, and 17, Bruton Street, London W.1.

(c) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.

We enclose:-

Copy of the Bank's Articles of Association as amended to November 2, 1962 and copy of the Certificate of the Comptroller of the Currency duly certified and authenticated. These documents have been certified by the Deputy Comptroller of the Currency and authenticated by the Treasury Department, the Department of State and the British Embassy.

The fifth article reflects an increase of $1,000,000 in our capital as a result of the merger on November 2, 1962 of The Richmond County National Bank of Port Richmond, Staten Island, New York, with and under the name of this Bank.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK.

G.L. Meagher.
Resident Vice President & Manager.

Dated the twenty-ninth day of January 1963.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 3 and 5 of the Companies (Forms) Order, 1949.*

No. 62/3697-14

United States of America

DEPARTMENT OF STATE

To whom these presents shall come, Greeting:

I Certify That the document hereunto annexed is under the seal of the Treasury Department of the United States of America, and that such seal is entitled to full faith and credit.

In testimony whereof, I, DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this tenth day of December, 1962.

(FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY)

Dean Rusk
Secretary of State.

By Barbara Hestman
Authentication Officer, Department of State.

U. S. GOVERNMENT PRINTING OFFICE 16—50740-6

INDISTINCT ORIGINAL

United States of America

62/3697-14

TREASURY DEPARTMENT
WASHINGTON

November 23, 1962
(Date)

TO [illegible] TO WHOM THESE PRESENTS SHALL COME, GREETING:

[illegible] certify that the annexed certificate, dated November 19, 1962, hereto attached, was signed by C. B. Redman who was duly appointed and now is Deputy Comptroller of the Currency and bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in authentication thereof is the official seal of the Comptroller of the Currency.

[illegible] in this Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Chief, Directives Control and Distribution Branch
Office of Administrative Services
Treasury Department

Treasury Department--Form [illegible] (Rev. Nov. 1949)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

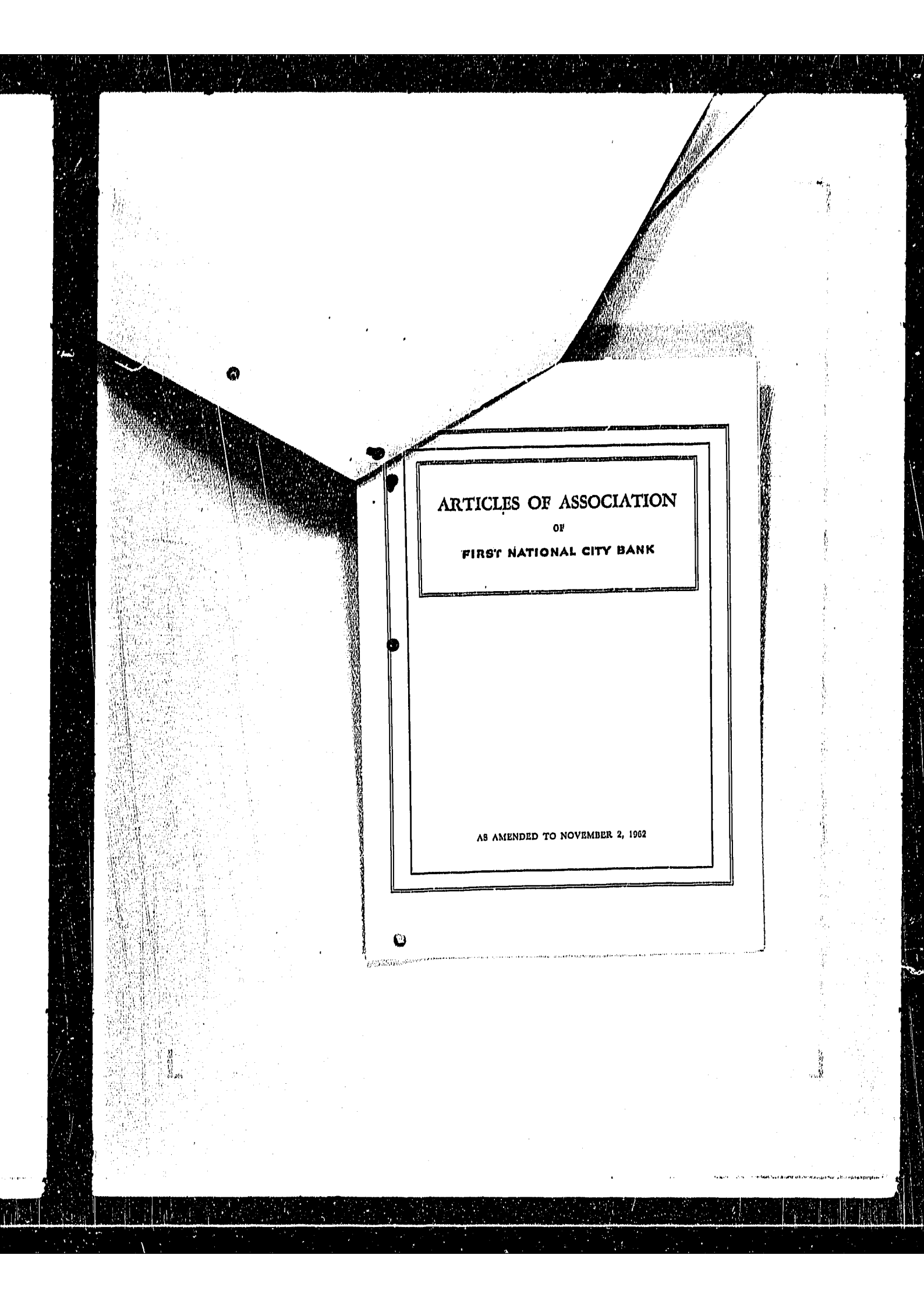
TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, C. B. REDMAN, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association of First National City Bank (Charter No. 1461), New York, New York, as amended to November 2, 1962.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 19th day of November, A. D. 1962.

C B Redman
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL


ARTICLES OF ASSOCIATION
OF
FIRST NATIONAL CITY BANK
AS AMENDED TO NOVEMBER 2, 1962

FIRST NATIONAL CITY BANK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO NOVEMBER 2, 1962

We the undersigned, the Directors of The City Bank of New York located in the City and County of New York in the State of New having been authorized by the owners of two-thirds of the Capital of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day accord-

...ions of law; and all elections shall be held according to such ...y as may be prescribed by the Board of Directors.

...e capital stock of the Association shall be $255,689,020, divided ...shares of the par value of $20 each; but said capital stock may ...decreased from time to time, in accordance with the provisions

...he Board of Directors (a majority of whom shall be a quorum to ...shall appoint one of its members to be President of this Association ...d office (unless he shall become disqualified or be sooner removed ...rds vote of the members of the Board) for the term for which he ...director. The Board of Directors may appoint one of its members ...an of the Board, who shall perform such duties as may be designated ...Board of Directors shall have power to appoint one or more Vice- ...and to appoint a Cashier and such other officers and employees as ...uired to transact the business of the Association.

...rd of Directors shall have the power to define the duties of the officers ...yees of the Association; to fix the salaries to be paid to them; to dis- ...; to require bonds from them and to fix the penalty thereof; to regulate ...r in which any increase of the capital of the Association shall be made; ...e and administer the business and affairs of the Association; to make ...s that it may be lawful for them to make; and generally to do and ...all acts that it may be legal for a board of directors to do and perform.

...oard of Directors, without the approval of the shareholders, shall have ...er to change the location of the Head Office and of any branch or ...of the Association subject to such limitations as from time to time may ...ided by law.

...ENTH. The Association shall have succession from the date of its organi- ...certificate until such time as it may be dissolved by the act of its share- ...owning two-thirds of its stock, or until its franchise becomes forfeited by ...of violation of law, or until terminated by either a general or a special Act ...ngress or until its affairs be placed in the hands of a receiver and finally ...d up by him.

...OINTH. The Board of Directors, or the holders of not less than ten per- ...um of the stock of the Association, may call a special meeting of shareholders ...any time: provided, however, that unless otherwise provided by law, not less ...a ten days prior to the date fixed for any such meeting, a notice of the time, ...ce and purpose of the meeting shall be given by first-class mail, postage pre- ...to all shareholders of record at their respective addresses as shown upon ...books of the Association.

...NINTH. Any person, his heirs, executors, or administrators, may be indem- ...connection with any action, suit, or proceeding, civil or criminal, to which he ...or reimbursed by the Association for reasonable expenses actually incurred ...or they shall be made a party by reason of his being or having been a director, ...officer, or employee of the Association or of any firm, corporation, or organization ...which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or willful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of

TIGHT BINDING

record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

RESOLUTION APPROVED BY SHAREHOLDERS

AT

SPECIAL MEETING OF THE SHAREHOLDERS

AUGUST 7, 1962

RESOLVED that the . . . . . increase of the capital stock of First National City Bank by $1,000,000 dividend into 50,000 shares of $20 par value each . . . is hereby ratified and confirmed.

No. of Company F. 1835. /118

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: First National City Bank,

REGISTERED 22 MAR 1963

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
49, PARLIAMENT STREET, WESTMINSTER, S.W.1; 107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 109, THE HEADROW, LEEDS, 1;
12 & 14, BROWN STREET, MANCHESTER, 2.

Presented by First National City Bank,
117, Old Broad St., London E.C.2.

REGISTRATION OFFICE 22 MAR 1963

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of First National City Bank

a company incorporated in (b) The Borough of Manhattan, New York and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2, and 17, Bruton Street, London W.1.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

We enclose:-

Copy of this Bank's Articles of Association as amended to January 15, 1963 and copy of the Certificate of the Comptroller of the Currency duly certified and authenticated. These documents have been certified by the Deputy Comptroller of the Currency and authenticated by the Treasury Department, the Department of State and the British Embassy.

The fifth article now authorizes the issuance of Capital Stock up to an amount of $300,000,000 divided into 15,000,000 shares of the par value of $20 each.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK.

R.J. Broyfogle
Vice President

L. U. Ryall
Assistant Manager

Dated the twentieth day of March 1963.

(a) " Charter," " Statutes," " Memorandum or Articles of Association " *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. [illegible]

United States of America

REGISTERED
25 MAR 1963

DEPARTMENT OF STATE

T[illegible] whom these presents shall come, Greeting:

[illegible]fy That the document hereunto annexed is under the [illegible] Treasury Department of the United States of America, a[illegible]ch seal is entitled to [illegible]

Seen for the legalization of the seal of the Department of State of the United States affixed by [illegible] of the said Department.

[illegible] Consul,
Posted at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

[illegible] day of [illegible] 1963.
For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this eleventh *day of* February, 1963.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

Issued pursuant to RS 1[illegible] 5 USC 158; Sec. 1 of [illegible] 62 St. 946, 25 USC 1[illegible] May 26, 1949, 63 St. 1[illegible] Secs. 104 and 332 of A[illegible] 66 St. 174 and 253, 6 U[illegible]

U. S. GOVERNMENT PRINTING OFFICE 16—30040-0

INDISTINCT ORIGINAL

United States of America

TREASURY DEPARTMENT
WASHINGTON

January 28, 1963
(Date)

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I certify that the annexed certification, dated January 28, 1963, hereto [illegible], was signed by J. T. Watson who was duly appointed and now is Comptroller of the Currency and bears his genuine signature, and that [illegible] of the Office of the Comptroller of the Currency affixed thereto in [illegible] thereof is the official seal of the Comptroller of the Currency.

[illegible] in [illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Edith Mae Monroe
Acting Chief, Directives Control
and Distribution Branch
Office of Administrative Services
Treasury Department

Treasury [illegible]—Form [illegible] (Nov. 1949)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, J. T. Watson, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the Articles of Association of First National City Bank, New York, New York. Charter No. 1461, as amended to January 15, 1963.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 28th day of January, A. D. 1963.

J. T. Watson
Deputy Comptroller of the Currency

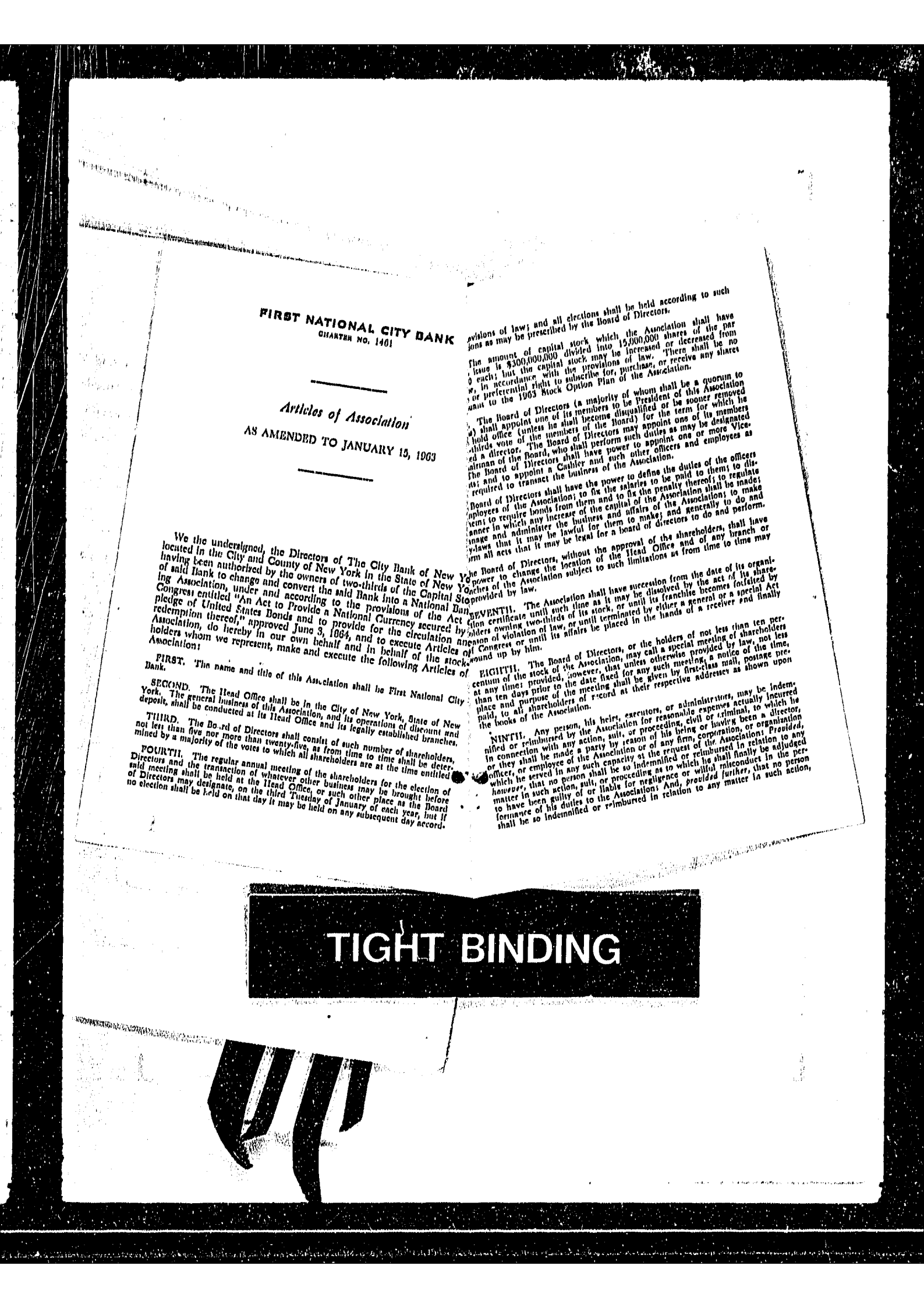
INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

FIRST NATIONAL CITY BANK

AS AMENDED TO JANUARY 15, 1963



FIRST NATIONAL CITY BANK
CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 15, 1963

We the undersigned, the Directors of The City Bank of New Yo located in the City and County of New York in the State of New Yo having been authorized by the owners of two-thirds of the Capital Sto of said Bank to change and convert the said Bank into a National Ban ing Association, under and according to the provisions of the Act Congress entitled "An Act to Provide a National Currency secured by pledge of United States Bonds and to provide for the circulation an redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stock holders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled

FOURTH. The regular annual meeting of the shareholders for the election of Directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the third Tuesday of January of each year, but if no election shall be held on that day it may be held on any subsequent day accord-

evisions of law; and all elections shall be held according to such ions as may be prescribed by the Board of Directors.

The amount of capital stock which the Association shall have issue is $300,000,000 divided into 15,000,000 shares of the par 0 each; but the capital stock may be increased or decreased from e, in accordance with the provisions of law. There shall be no or preferential right to subscribe for, purchase, or receive any shares uant to the 1963 Stock Option Plan of the Association.

The Board of Directors (a majority of whom shall be a quorum to) shall appoint one of its members to be President of this Association hold office (unless he shall become disqualified or be sooner removed -thirds vote of the members of the Board) for the term for which he ed a director. The Board of Directors may appoint one of its members airman of the Board, who shall perform such duties as may be designated The Board of Directors shall have power to appoint one or more Vice- ts; and to appoint a Cashier and such other officers and employees as required to transact the business of the Association.

Board of Directors shall have the power to define the duties of the officers nployees of the Association; to fix the salaries to be paid to them; to dis- hem; to require bonds from them and to fix the penalty thereof; to regulate anner in which any increase of the capital of the Association shall be made; nage and administer the business and affairs of the Association; to make y-laws that it may be lawful for them to make; and generally to do and rm all acts that it may be legal for a board of directors to do and perform.

he Board of Directors, without the approval of the shareholders, shall have power to change the location of the Head Office and of any branch or nches of the Association subject to such limitations as from time to time may provided by law.

SEVENTH. The Association shall have succession from the date of its organi- tion certificate until such time as it may be dissolved by the act of its share- olders owning two-thirds of its stock, or until its franchise becomes forfeited by ason of violation of law, or until terminated by either a general or a special Act f Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per- centum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage pre- paid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indem- nified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the per- formance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action,

TIGHT BINDING

suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

INDISTINCT ORIGINAL

No. of Company F. 1935 /120

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: First National City Bank

REGISTERED 3 MAY 1954

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
49, Parliament Street, Westminster, S.W.1; 107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 100, The Headrow, Leeds, 1;
12 & 14, Brown Street, Manchester, 2.

Presented by

FIRST NATIONAL CITY BANK
117, OLD BROAD STREET, LONDON, E.C.2.

COMPANIES REGISTRATION OFFICE

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of First National City Bank

a company incorporated in (b) The Borough of Manhattan, New York and which has established a place in business in Great Britain at 117, Old Broad Street, London E.C.2. and 17, Bruton Street, London W.1.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

We enclose:-

Copy of this Bank's Articles of Association as amended to January 21st, 1964 and copy of the Certificate of the Comptroller of the Currency duly certified and authenticated. These documents have been certified by the Deputy Comptroller of the Currency and authenticated by the Treasury Department, the Department of State and the British Embassy.

The only change in the Articles since our Return of March 20th 1963 is in Article Fifth to which the words "OR THE 1964 STOCK PURCHASE PLAN" have been added.

Passed for Filing.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK

L.U. Ryall.
Assistant Manager.

Dated the Second day of April 1964.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

RESOLVED that the Articles of Association shall provide that there shall be no pre-emptive or preferential right to subscribe for, purchase, or receive any shares issued pursuant to the 1964 Stock Purchase Plan of the Association and, accordingly, that Article Fifth of said Articles of Association is hereby amended by inserting the words "or the 1964 Stock Purchase Plan" immediately before the last three words of said Article.

United States of America

DEPARTMENT OF STATE

whom these presents shall come, Greeting:

tify That the document hereunto annexed is under the
e Treasury Department of the United States of America,
ch seal is entitled to full faith and credit.

Seen for the legalization of the seal of the Department of State of the United States affixed by Barbara Hartman of the said Department.

British Pro-Consul,
Dept. of the British Embassy (Consular Section)
Washington, District of Columbia, United States of America.

Twenty-seventh day of March 1964

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twelfth *day of* February, 19 64.

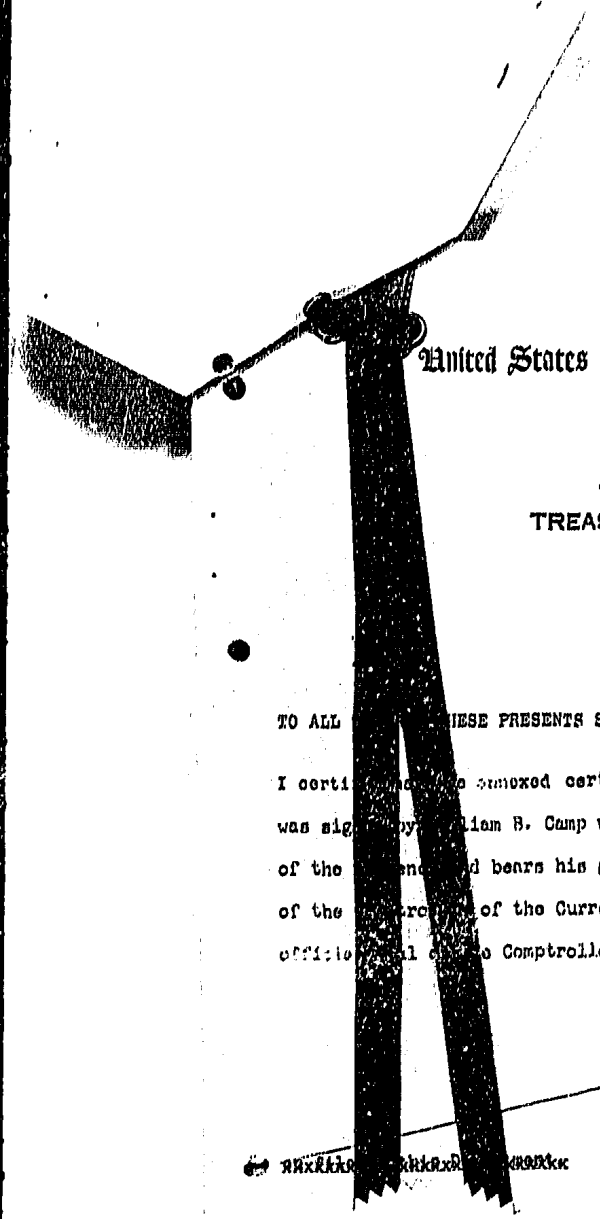
For the contents of annexed document Department assumes responsibility.

Dean Rusk
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

U.S. GOVERNMENT PRINTING OFFICE 16—30040-7

INDISTINCT ORIGINAL



United States of America

64350-1

TREASURY DEPARTMENT
WASHINGTON

Date: February 4, 1964

TO ALL [illegible]HESE PRESENTS SHALL COME, GREETING:

I certi[illegible]d [illegible]nnexed certification, dated February 4, 1964, hereto attached, was sig[illegible]by [illegible]liam B. Camp who was duly appointed and now is Deputy Comptroller of the [illegible]nc[illegible]d bears his genuine signature, and that the seal of the Office of the [illegible]rc[illegible] of the Currency affixed thereto in attestation thereof is the offic[illegible]al [illegible]o Comptroller of the Currency

[illegible]

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Chief, Directives Control and
Distribution Branch
Office of Administrative Services
Treasury Department

GPO 16—77276-1

TREASURY DEPARTMENT—FORM 2547 (REV. 8-61)

INDISTINCT ORIGINAL

CERTIFICATE FOR CERTIFIED COPY

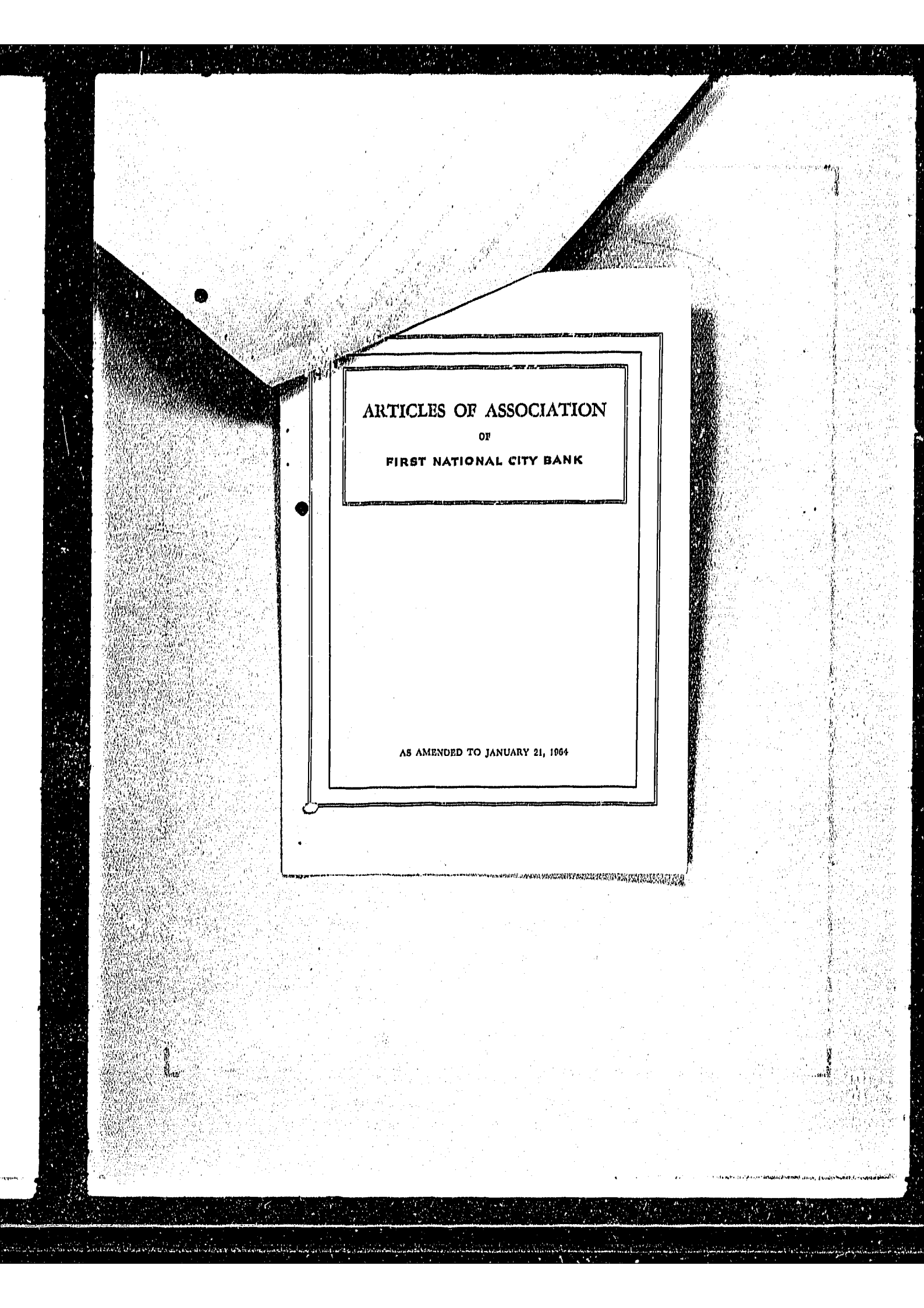
TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

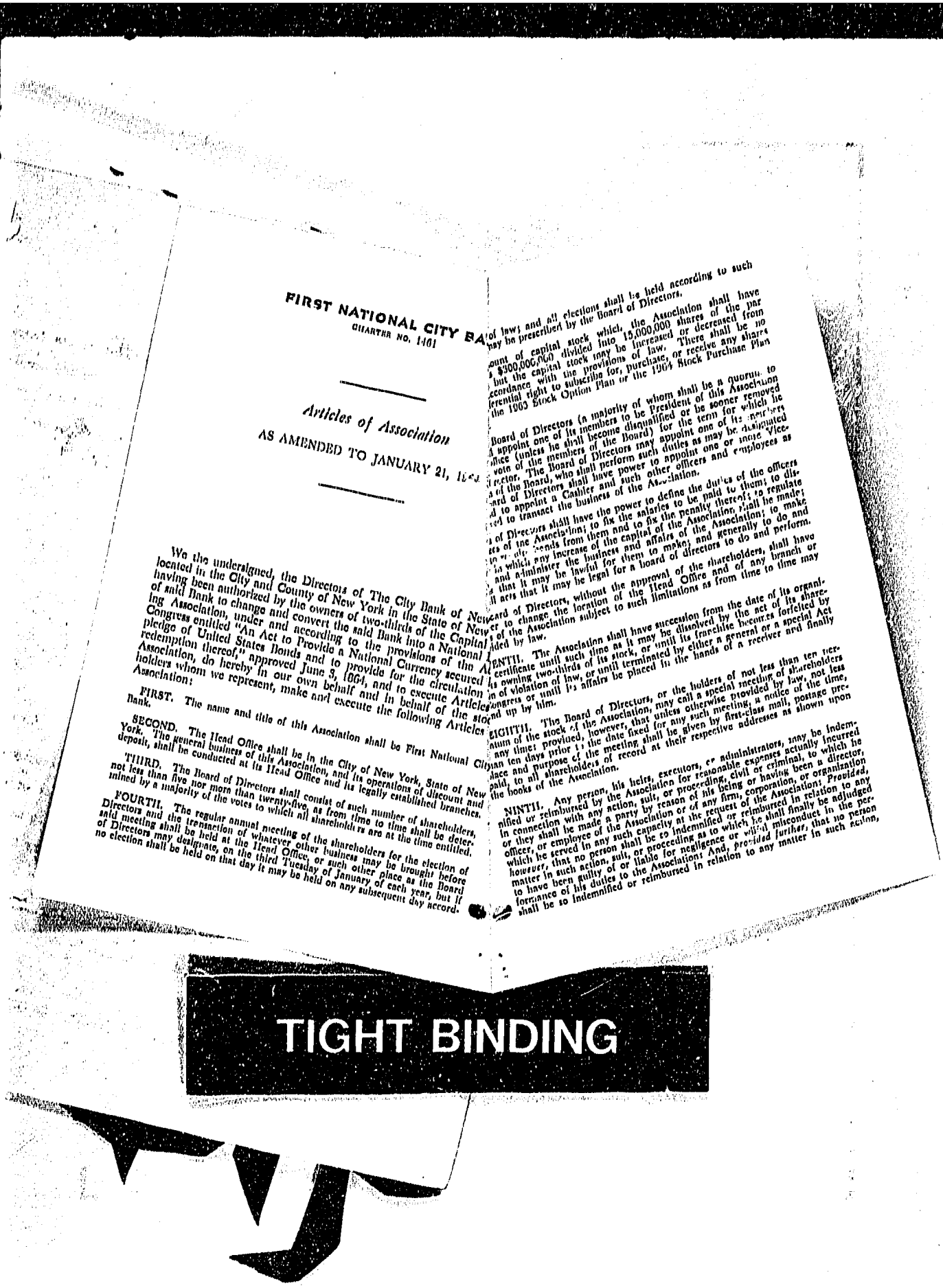
I, William B. Camp, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this Office, of the Articles of Association of First National City Bank, New York, New York, Charter No. 1461, as amended to January 21, 1964.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 6th day of February A. D. 1964.

Deputy Comptroller of the Currency

INDISTINCT ORIGINAL


ARTICLES OF ASSOCIATION
OF
FIRST NATIONAL CITY BANK
AS AMENDED TO JANUARY 21, 1964



FIRST NATIONAL CITY BA
CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 21, 19

We the undersigned, the Directors of The City Bank of New
located in the City and County of New York in the State of New
having been authorized by the owners of two-thirds of the Capital
of said Bank to change and convert the said Bank into a National
ing Association, under and according to the provisions of the
Congress entitled "An Act to Provide a National Currency secured
pledge of United States Bonds and to provide for the circulation
redemption thereof" approved June 3, 1864, and to execute Articles
Association, do hereby in our own behalf and in behalf of the
holders whom we represent, make and execute the following Articles

FIRST. The name and title of this Association shall be First National
Bank.

SECOND. The Head Office shall be in the City of New York, State of New
York. The general business of this Association, and its operations of discount and
deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders,
not less than five nor more than twenty-five, as from time to time shall be deter-
mined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of
Directors and the transaction of whatever other business may be brought before
said meeting shall be held at the Head Office, or such other place as the Board
of Directors may designate, on the third Tuesday of January of each year, but if
no election shall be held on that day it may be held on any subsequent day accord-

of law, and all elections shall be held according to such
may be prescribed by the Board of Directors.

ount of capital stock which the Association shall have
s $300,000,000 divided into 15,000,000 shares of the par
but the capital stock may be increased or decreased from
ccordance with the provisions of law. There shall be no
ferential right to subscribe for, purchase, or receive any shares
the 1963 Stock Option Plan or the 1964 Stock Purchase Plan

Board of Directors (a majority of whom shall be a quorum to
appoint one of its members to be President of this Association
office (unless he shall become disqualified or be sooner removed
vote of the members of the Board) for the term for which he
rector. The Board shall perform such duties as may be designated
of the Board, who shall have power to appoint one or more Vice-
ard of Directors shall have power to appoint officers and employees as
d to appoint a Cashier and such other officers and
ed to transact the business of the Association.

of Directors shall have the power to define the duties of the officers
es of the Association; to fix the salaries to be paid to them; to dis-
to which any increase of the capital of the Association shall be made;
and administer the business and affairs of the Association; to do and
it may be lawful for them to make; and generally to do and
that it may be legal for a board of directors to do and perform.
ll acts that it may be legal for a board of directors to do and perform.

eard of Directors, without the approval of the shareholders, shall have
er to change the location of the Head Office and of any branch or
of the Association subject to such limitations as from time to time may
ided by law.

ENTH. The Association shall have succession from the date of its organi-
certificate until such time as it may be dissolved by the act of its share-
owning two-thirds of its stock, or until its franchise becomes forfeited by
n of violation of law, or until terminated by either a general or a special Act
Congress, or until its affairs be placed in the hands of a receiver and finally
osed up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per-
ntum of the stock of the Association, may call a special meeting of shareholders
any time; provided, however, that unless otherwise provided by law, not less
an ten days prior to the date fixed for any such meeting, a notice of the time,
lace and purpose of the meeting shall be given by first-class mail, postage pre-
paid, to all shareholders of record at their respective addresses as shown upon
the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indem-
nified or reimbursed by the Association for reasonable expenses actually incurred
in connection with any action, suit, or proceeding, civil or criminal, to which he
or they shall be made a party by reason of his being or having been a director,
officer, or employee of the Association or of any firm, corporation, or organization
which he served in any such capacity at the request of the Association; *Provided,*
however, that no person shall be so indemnified or reimbursed in relation to any
matter in such action, suit, or proceeding as to which he shall finally be adjudged
to have been guilty of or liable for negligence or willful misconduct in the per-
formance of his duties to the Association; And, *provided further*, that no person
shall be so indemnified or reimbursed in relation to any matter in such action,

TIGHT BINDING

suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR, LOUIS A. VON HOFFMANN, HENRY PARISH,
TARRANT PUTNAM, GEORGE GREER, JOHN J. CISCO,
J. H. BROWER, JOHN ALSTYNE, JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL.]

INDISTINCT ORIGINAL

No. of Company F. 1835 /123

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

REGISTERED
8 APR 1965

Name of Company: FIRST NATIONAL CITY BANK

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, London Wall, London, E.C.2;
107, Park Lane, Marble Arch, W.1;
77, Colmore Row, Birmingham, 3; 109, The Headrow, Leeds, 1.

COMPANIES REGISTRATION OFFICE
- 8 APR 1965

Presented by

FIRST NATIONAL CITY BANK,

117, OLD BROAD STREET, LONDON, E. C. 2.

N/A

RETURN OF ALTERATION IN THE (a) ARTICLES OF ASSOCIATION.

constituting or defining the constitution of FIRST NATIONAL CITY BANK.

a company incorporated in (b) THE BOROUGH OF MANHATTAN, NEW YORK. and which has established a place in business in Great Britain at 117, OLD BROAD STREET, LONDON, E.C.2. AND 17, BRUTON STREET, LONDON, W. 1.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

We enclose:-

COPY OF THIS BANK'S ARTICLES OF ASSOCIATION AS AMENDED TO JANUARY 22nd 1965, AND COPY OF THE CERTIFICATE OF THE COMPTROLLER OF THE CURRENCY DULY CERTIFIED AND AUTHENTICATED: THESE DOCUMENTS HAVE BEEN CERTIFIED BY THE DEPUTY COMPTROLLER OF THE CURRENCY AND AUTHENTICATED BY THE TREASURY DEPARTMENT, THE DEPARTMENT OF STATE AND THE BRITISH EMBASSY.

THE ONLY CHANGES IN THE ARTICLES SINCE OUR RETURN OF JANUARY 21st 1964 ARE IN ARTICLE FOURTH AND FIFTH DEALING WITH THE REGULAR ANNUAL MEETING OF THE SHAREHOLDERS ETC. AND THE INCREASE OF THE CAPITAL STOCK RESPECTIVELY.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK.

L. U. RYALL.
MANAGER.

Dated the 5th day of APRIL. 1965.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. 65/1144

United States of America

51-CR

DEPARTMENT OF STATE

all to whom these presents shall come, Greeting:

I Certify *That the document hereunto annexed is under the of the Treasury Department of the United States of America, hat such seal is entitled to full faith and credit.**

Seal for the [illegible] of the seal of the Department of State of the United States affixed by BARBARA HARTMAN of the said Department.

[illegible] Consul,
Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America.

this TWELFTH day of MARCH 1965 -
For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, *I,* DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this fifth *day of* March, *1965.*

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

Issued pursuant to RS 16[illegible] 5 USC 158; Sec. 1 of A[illegible] 62 St. 946, 28 USC 17[illegible] May 26, 1949, 63 St. 11[illegible] Secs. 104 and 332 of Act[illegible] 66 St. 174 and 253, 8 US[illegible]

U. S. GOVERNMENT PRINTING OFFICE 16—00040-6

INDISTINCT ORIGINAL

United States of America

651144

TREASURY DEPARTMENT
WASHINGTON

Date: February 4, 1965

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I CERTIFY that the annexed Certificate, dated February 4, 1965, hereto attached was signed by William B. Camp who was duly appointed and now is Deputy Comptroller of the Currency and bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in attestation thereof is the official seal of the Comptroller of the Currency.

[illegible] Deputy

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Chief, Directives Control and Distribution Branch
Office of Administrative Services
Treasury Department

GPO 16—77370-1

TREASURY DEPARTMENT—FORM 8247 (REV. 8-61)

INDISTINCT ORIGINAL

CERTIFICATE

Office of
Comptroller of the Currency } ss:

I, William B. Camp, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy of the Articles of Association, as Amended to January 22, 1965, which document constitutes the currently effective Articles of Association of First National City Bank, New York, New York, as recorded in this Office to date.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 4th day of February, A. D. 1965.

Deputy Comptroller of the Currency

ARTICLES OF ASSOCIATION

OF

FIRST NATIONAL CITY BANK

AS AMENDED TO JANUARY 22, 1965

FIRST NATIONAL CITY BANK

CHARTER NO. 1461

Articles of Association

AS AMENDED TO JANUARY 22, 1963

We the undersigned, the Directors of The City Bank of New Y
located in the City and County of New York in the State of New Y
having been authorized by the owners of two-thirds of the Capital St
of said Bank to change and convert the said Bank into a National Ban
ing Association, under and according to the provisions of the Act
Congress entitled "An Act to Provide a National Currency secured by
pledge of United States Bonds and to provide for the circulation a
redemption thereof," approved June 3, 1864, and to execute Articles
Association, do hereby in our own behalf and in behalf of the stock
holders whom we represent, make and execute the following Articles o
Association:

FIRST. The name and title of this Association shall be First National City
Bank.

SECOND. The Head Office shall be in the City of New York, State of New
York. The general business of this Association, and its operations of discount and
deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders,
not less than five nor more than twenty-five, as from time to time shall be deter-
mined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election
of directors and the transaction of whatever other business may be brought before
said meeting shall be held at the Head Office, or such other place as the Board
of Directors may designate, on the day of each year specified therefor in the
By-Laws of the Association, but if no election shall be held on that day it may
on any subsequent day according to the provisions of law; and all
shall be held according to such lawful regulations as may be prescribed
oard of Directors.

H. The amount of capital stock which the Association shall have
y to issue is $103,000,000 divided into 30,000,000 shares of the par value
0 each; but the capital stock may be increased or decreased from time
in accordance with the provisions of law. There shall be no pre-emptive
erential right to subscribe for, purchase, or receive any shares issued
t to the 1963 Stock Option Plan or the 1964 Stock Purchase Plan of the
ation.

TH. The Board of Directors (a majority of whom shall be a quorum to
siness) shall appoint one of its members to be President of this Association
shall hold office (unless he shall become disqualified or be sooner removed
two-thirds vote of the members of the Board) for the term for which he
lected a director. The Board of Directors may appoint one of its members
Chairman of the Board, who shall perform such duties as may be designated
The Board of Directors shall have power to appoint one or more Vice-
dents; and to appoint a Cashier and such other officers and employes as
be required to transact the business of the Association.

he Board of Directors shall have the power to define the duties of the officers
employees of the Association; to fix the salaries to be paid to them; to dis-
s them; to require bonds from them and to fix the penalty thereof; to regulate
manner in which any increase of the capital of the Association shall be made;
manage and administer the business and affairs of the Association; to make
by-laws that it may be lawful for them to make; and generally to do and
erform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have
he power to change the location of the Head Office and of any branch or
branches of the Association subject to such limitations as from time to time may
provided by law.

SEVENTH. The Association shall have succession from the date of its organi-
zation certificate until such time as it may be dissolved by the act of its share-
holders owning two-thirds of its stock, or until its franchise becomes forfeited by
reason of violation of law, or until terminated by either a general or a special Act
of Congress or until its affairs be placed in the hands of a receiver and finally
wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per-
centum of the stock of the Association, may call a special meeting of shareholders
at any time; provided, however, that unless otherwise provided by law, not less
than ten days prior to the date fixed for any such meeting, a notice of the time,
place and purpose of the meeting shall be given by first-class mail, postage pre-
paid, to all shareholders of record at their respective addresses as shown upon
the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indem-
nified or reimbursed by the Association for reasonable expenses actually incurred
in connection with any action, suit, or proceeding, civil or criminal, to which he
or they shall be made a party by reason of his being or having been a director,
officer, or employee of the Association or of any firm, corporation, or organization
which he served in any such capacity at the request of the Association; *Provided,*
however, that no person shall be so indemnified or reimbursed in relation to any
matter in such action, suit, or proceeding as to which he shall finally be adjudged
to have been guilty of or liable for negligence or wilful misconduct in the per-
formance of his duties to the Association; And, *provided further,* that no person
shall be so indemnified or reimbursed in relation to any matter in such action,

TIGHT BINDING

suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps, and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

No. of Company F. 1835 /24

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: FIRST NATIONAL CITY BANK

REGISTERED
5 AUG 1965

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 109, THE HEADROW, LEEDS, 1.

COMPANIES REGISTRATION OFFICE -5 AUG 1965

Presented by First National City Bank, 117, Old Broad Street, E.C.2.

RETURN OF ALTERATION IN THE (a) ARTICLES OF ASSOCIATION

constituting or defining the constitution of FIRST NATIONAL CITY BANK

a company incorporated in (b) THE BOROUGH OF MANHATTAN NEW YORK and which has established a place in business in Great Britain at 117, OLD BROAD STREET LONDON E.C.2, AND 17, BRUTON STREET, LONDON, W.1.

(c) Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.

We enclose:-

COPY OF THIS BANK'S ARTICLES OF ASSOCIATION AS AMENDED TO 10TH JUNE 1965 AND COPY OF THE CERTIFICATE OF THE COMPTROLLER OF THE CURRENCY DULY CERTIFIED AND AUTHENTICATED. THESE DOCUMENTS HAVE BEEN CERTIFIED BY THE DEPUTY COMPTROLLER OF THE CURRENCY AND AUTHENTICATED BY THE TREASURY DEPARTMENT, THE DEPARTMENT OF STATE AND THE BRITISH EMBASSY.

One change has been made in the Articles and involves Article fifth which now authorises the issuance of capital stock up to a total outstanding of $472,500,000 divided into 35,000,000 shares of the par value of $13.50.

Reserved for Binding.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

FIRST NATIONAL CITY BANK

L.U.RYALL.
MANAGER.

Dated the 4th day of August, 1965.

(a) " Charter," " Statutes," " Memorandum or Articles of Association " *or other instrument as the case may be.*

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order, 1949.*

No. [illegible]

United States of America

DEPARTMENT OF STATE

[illegible] whom these presents shall come, Greeting:

[illegible]ify That *the document hereunto annexed is under the [illegible] Treasury Department of the United States of America [illegible] such seal is entitled to full faith and credit.**

Seen for the legalisation of the seal of the Department of State of the United States affixed by -BARBARA HARTMAN- of the said Department.

British Vice Consul

Done at the British Embassy (Consular Section) Washington, District of Columbia, United States of America,

this 14th day of JULY 1965

For the contents of this document the British Embassy (Consular Section) assumes no responsibility.

In testimony whereof, I, DEAN RUSK

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this ninth *day of* July, 1965.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

Issued pursu[illegible] 5 USC 22, 5 USC 158; [illegible] of June 2[illegible] 62 St. 946, [illegible] Sec. 4 of May 26, 19[illegible] 3 USC 15[illegible] Secs. 104 an[illegible] of June 2[illegible] 66 St. 174 [illegible] USC 1104 and

U.S. GOVERNMENT PRINTING OFFICE 16—30016-7

INDISTINCT ORIGINAL

655206-70

United States of America

TREASURY DEPARTMENT
WASHINGTON

Date: June 23, 1965

[illegible]LL [illegible]HOM THESE PRESENTS SHALL COME, GREETING:

[illegible]ti[illegible]at the annexed Certificate, dated June 23, 1965, hereto attached was [illegible]d b[illegible]lliam B. Camp who was duly appointed and now is Deputy Comptroller of t[illegible]urr[illegible] and bears his genuine signature, and that the seal of the Office of t[illegible]mpt[illegible]r of the Currency affixed thereto in attestation thereof is the of[illegible]al [illegible] of the Comptroller of the Currency

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Chief, Directives Control and
Distribution Branch
Office of Administrative Services
Treasury Department

GPO [illegible] TREASURY DEPARTMENT—FORM [illegible]

INDISTINCT ORIGINAL

CERTIFICATE

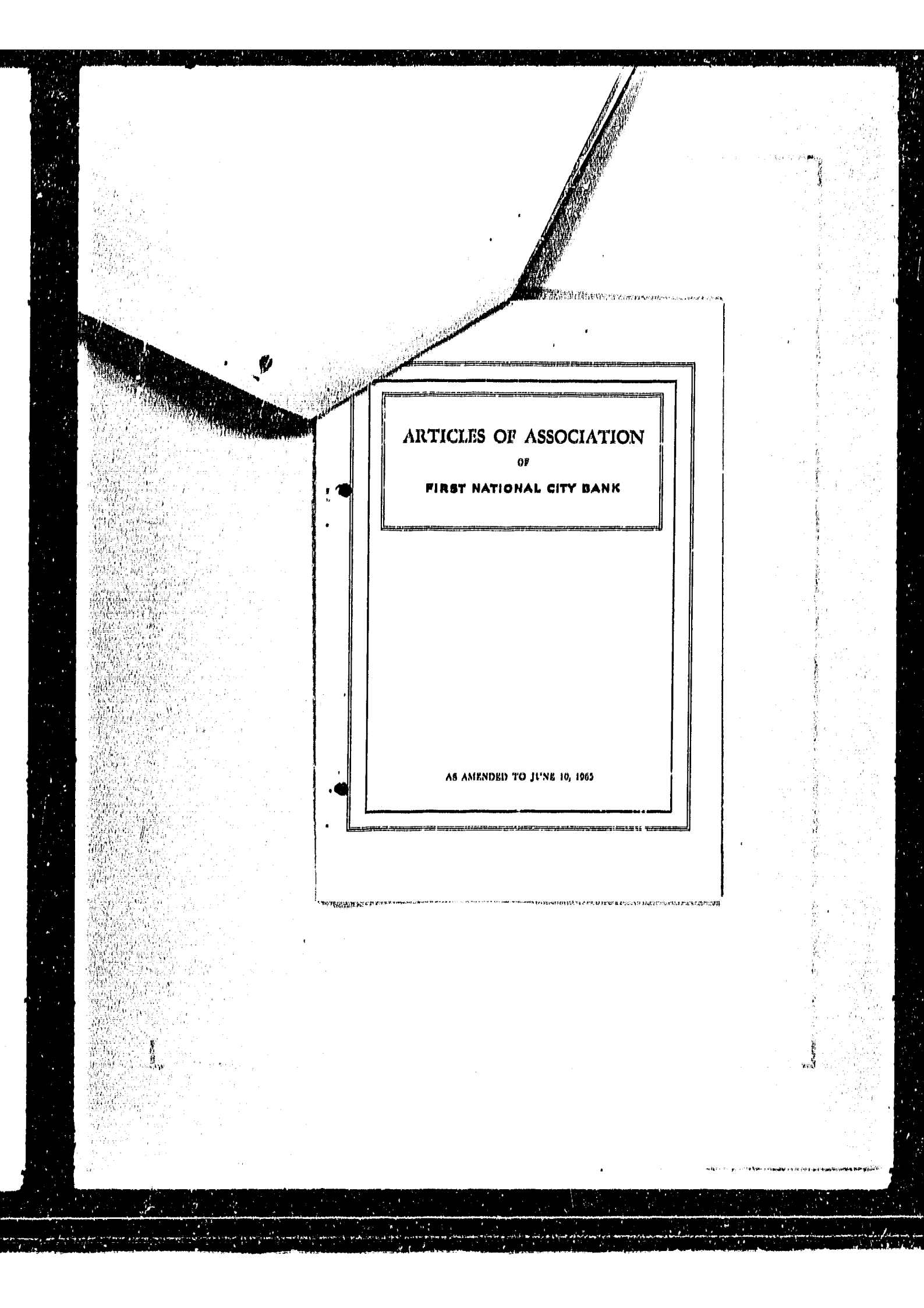
Office of
Comptroller of the Currency } ss:

I, William B. Camp, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy of the Articles of Association, as Amended to June 10, 1965, which document constitutes the currently effective Articles of Association of First National City Bank, New York, New York, Charter No. 1461, as recorded in this Office to date.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 23rd day of June, A. D. 1965.

Deputy Comptroller of the Currency

INDISTINCT ORIGINAL

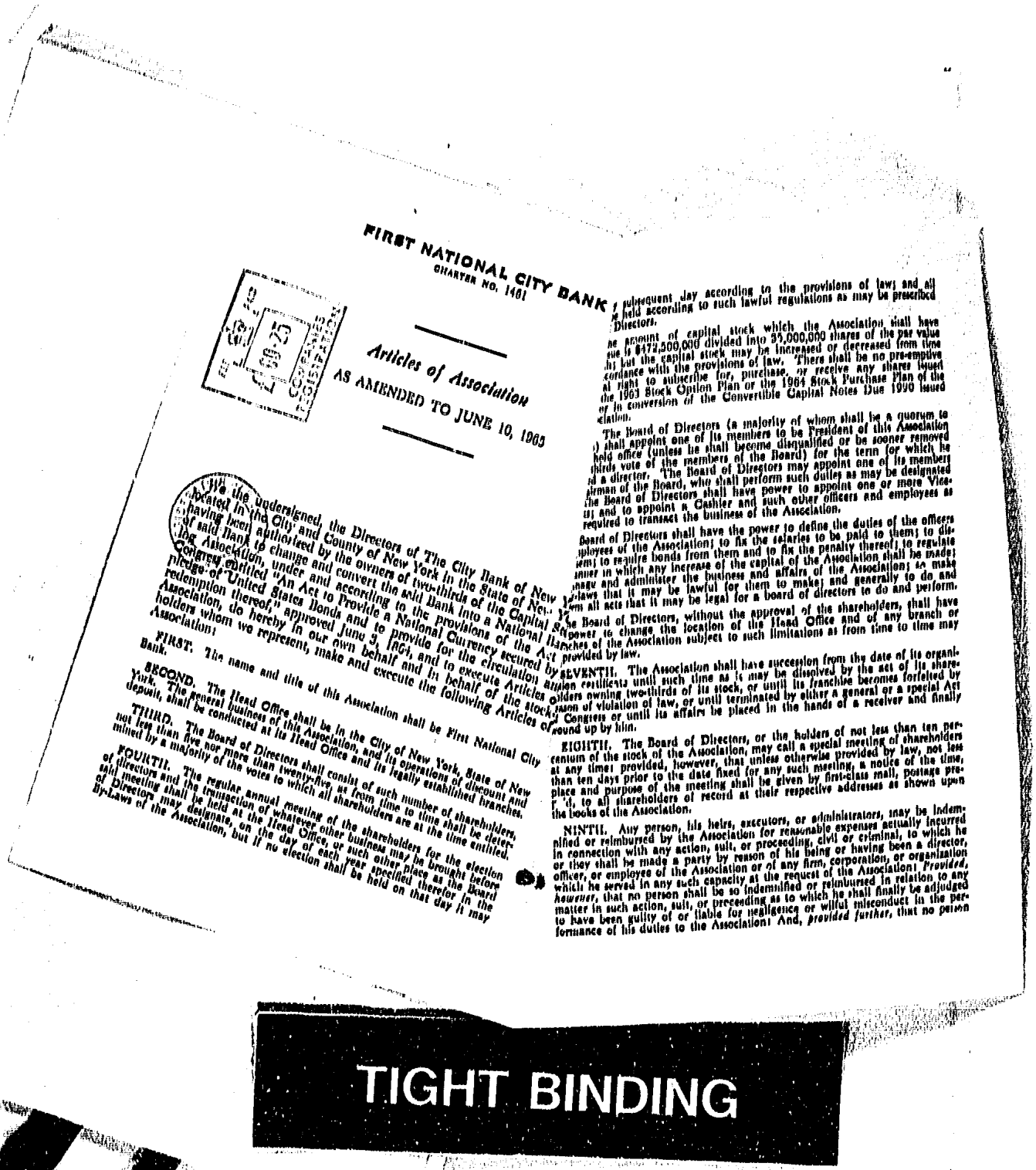


ARTICLES OF ASSOCIATION

OF

FIRST NATIONAL CITY BANK

AS AMENDED TO JUNE 10, 1965



FIRST NATIONAL CITY BANK
CHARTER NO. 1461

Articles of Association
AS AMENDED TO JUNE 10, 1963

We, the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $472,500,000 divided into 39,000,000 shares of the par value of $12.50 each; but the capital stock may be increased or decreased from time to time in accordance with the provisions of law. There shall be no pre-emptive right to subscribe for, purchase, or receive any shares issued under the 1963 Stock Option Plan or the 1964 Stock Purchase Plan of the Association or in conversion of the Convertible Capital Notes Due 1990 issued by the Association.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to transact business) shall appoint one of its members to be President of this Association, shall appoint one or more Vice-Presidents, shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he is elected a director. The Board of Directors may appoint one of its members Chairman of the Board, who shall perform such duties as may be designated by the Board of Directors shall have power to appoint one or more Vice-Presidents and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss such officers or employees; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be lawful for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have power to change the location of the Head Office and of any branch or agency of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of any firm, corporation, or organization officer, or employee of the Association or of the request of the Association; *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association; And, *provided further*, that no person

TIGHT BINDING

shall be so indemnified or reimbursed in relation to any matter in any action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York
City and County of New York } ss.:

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

[SEAL]

F 1835/126

No. of Company F. 68/2696-17.

Form No. 4 F.

THE COMPANIES ACT, 1948.

RETURN OF ALTERATION IN THE CHARTER, STATUTES, MEMORANDUM OR ARTICLES OF ASSOCIATION OR OTHER INSTRUMENT CONSTITUTING OR DEFINING THE CONSTITUTION OF AN OVERSEA COMPANY.

Pursuant to Section 409.

Name of Company: FIRST NATIONAL CITY BANK.

PUBLISHED AND SOLD BY
WATERLOW & SONS LIMITED,
LAW AND COMPANIES' STATIONERS AND REGISTRATION AGENTS,
85 & 86, LONDON WALL, LONDON, E.C.2;
107, PARK LANE, MARBLE ARCH, W.1;
77, COLMORE ROW, BIRMINGHAM, 3; 100, THE HEADROW, LEEDS.

COMPANIES REGISTRATION OFFICE
25 APR 1968

Presented by

FROM [illegible]
FIRST NATIONAL CITY BANK
11, MARGATE, LONDON, E.C.4

RETURN OF ALTERATION IN THE (a) Articles of Association

constituting or defining the constitution of .....

a company incorporated in (b) United States of America, and which has established a place in business in Great Britain at 34, Moorgate, London E.C.2.

(c) *Certified copy of alteration or certified copy of new deed, if one has been executed, and certified translation of alteration or deed, if not in English language, must accompany this Return and be shortly referred to here.*

Admendment in Article Fifth to include reference to the 1968 Stock Option Plan.

Record for Filing.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act, 1948, or of some other person in Great Britain duly authorised by the Company.

[redacted]

Dated the 24th April, day of 19 68.

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.

(b) *Country of origin.*

(c) *The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 3 of the Companies (Forms) Order, 1949.*

No. [illegible]

United States of America

DEPARTMENT OF STATE

To all [illegible] these presents shall come, Greeting:

I certify that the document hereunto annexed is under the seal of the Department of State of the United States of America, and that full faith and credit is entitled to full faith and credit.*

In testimony whereof, I, DEAN RUSK,

Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twenty-sixth

day of March, *19*65.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Dean Rusk
Secretary of State.

By Barbara Watson
Authentication Officer, Department of State.

U.S. GOVERNMENT PRINTING OFFICE : 1966 O 230 304

INDISTINCT ORIGINAL

[illegible] of the seal of the Department of State of the United States affixed by BARBARA HARTMAN of the said Department.

[illegible] Consul,
Chief of the British Embassy (Consular Section)
Washington, District of Columbia, United States of America.

This TWENTY-EIGHTH day of MARCH 1968 - [illegible] contents of this document the British Embassy (Consular Section) assumes no responsibility.

INDISTINCT ORIGINAL

682696-17

United States of America

TREASURY DEPARTMENT
WASHINGTON

Date: March 20, 1968

TO ALL [illegible] THESE PRESENTS SHALL COME, GREETING:

I cert[illegible] the annexed certification, dated March 20, 1968, hereto attached, was si[illegible]ustin T. Watson, who was duly appointed and now is Deputy Comptroller of the [illegible] and bears his genuine signature, and that the seal of the Office of the [illegible]r of the Currency affixed thereto in attestation thereof is the officia[illegible] the Comptroller of the Currency.

[illegible] file [illegible]is [illegible]rtment.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Lucile Henderson

Chief, Directives Control and
Distribution Branch
Office of Administrative Services
Treasury Department

GPO 16—77374-1 TREASURY DEPARTMENT—FORM 2247 (REV. 9-64)

INDISTINCT ORIGINAL

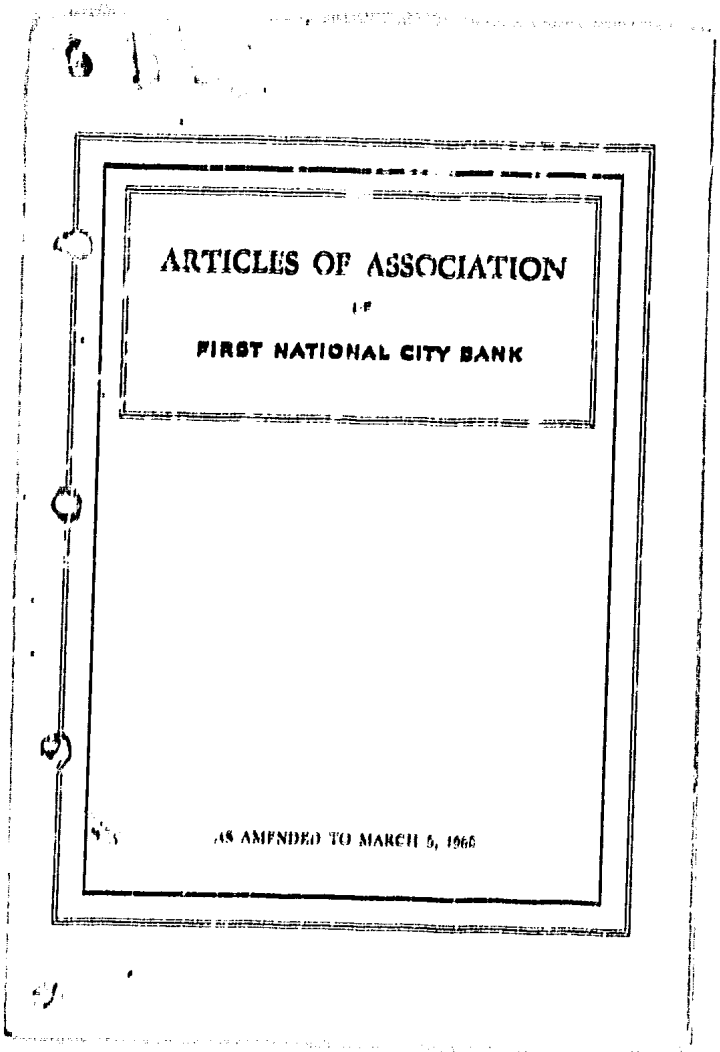
CERTIFICATE FOR CERTIFIED COPY

TREASURY DEPARTMENT)
Office of) ss:
Comptroller of the Currency)

I, Justin T. Watson, Deputy Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this Office, of the Articles of Association of First National City Bank, New York, New York, Charter No. 1461, as amended to March 5, 1968.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 20th day of March, A. D. 1968.

Justin T. Watson
Deputy Comptroller of the Currency


ARTICLES OF ASSOCIATION
OF
FIRST NATIONAL CITY BANK
AS AMENDED TO MARCH 5, 1968

FIRST NATIONAL CITY BANK
CHARTER NO. 1461

Articles of Association

AS AMENDED TO MARCH 5, 1968

We the undersigned, the Directors of The City Bank of New York, located in the City and County of New York in the State of New York, having been authorized by the owners of two-thirds of the Capital Stock of said Bank to change and convert the said Bank into a National Banking Association, under and according to the provisions of the Act of Congress entitled "An Act to Provide a National Currency secured by a pledge of United States Bonds and to provide for the circulation and redemption thereof," approved June 3, 1864, and to execute Articles of Association, do hereby in our own behalf and in behalf of the stockholders whom we represent, make and execute the following Articles of Association:

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $172,500,000 divided into 95,000,000 shares of the par value of $13.50 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. There shall be no preemptive or preferential rights to subscribe for, purchase, or receive any shares of the Association issued pursuant to its 1961 or 1968 Stock Option Plans, its 1964 Stock Purchase Plan, or in conversion of its Convertible Capital Notes Due 1990.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association; *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or willful misconduct in the performance of his duties to the Association: And, *provided further*, that no person

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shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

IN WITNESS WHEREOF WE, the Directors aforesaid, for ourselves as such Directors and in behalf of the stockholders of The City Bank of New York have hereunto set our hands this fifth day of July, 1865.

MOSES TAYLOR,	LOUIS A. VON HOFFMANN,	HENRY PARISH,
TARRANT PUTNAM,	GEORGE GREER,	JOHN J. CISCO,
J. H. BROWER,	JOHN ALSTYNE,	JOHN J. PHELPS.

UNITED STATES OF AMERICA
State of New York } ss.:
City and County of New York

On this fifth day of July in the year of our Lord one thousand eight hundred and sixty five personally came before me a Notary Public in and for the State of New York, Moses Taylor, Tarrant Putnam, John H. Brower, John J. Cisco, Louis A. Von Hoffmann, George Greer, John Alstyne, John J. Phelps and Henry Parish, directors of The City Bank of New York, to me well known, who severally acknowledged that they executed the foregoing Articles of Association for the purposes therein mentioned.

WITNESS my hand and seal of Office the day and year aforesaid.

WM. WALTER PHELPS,
Notary Public,
County of New York.

I, Carl W. [illegible], Jr. or Vice President and Cashier of First National City Bank, a national banking association, and [SEAL] Secretary of the Board of Directors, hereby certify that the foregoing is a true and complete copy of the Articles of Association of said Bank.

Carl W. [illegible]

Attest:

[illegible]
Assistant Cashier
State of New York)
County of New York)
Subscribed and sworn to
before me March 6, 1968
Patrick A. Walsh

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1969.

CERTIFICATE

I, Carl W. Desch, Cashier of First National City Bank, a national banking association, and as such, custodian of the corporate seal, records and documents of said association, and the duly elected Secretary of the regular annual meeting of shareholders of said association held in accordance with the Articles of Association and By-Laws of said association on March 5, 1968, HEREBY CERTIFY that the attached is a true copy of resolution duly adopted at said annual meeting, amending Article Fifth of the Articles of Association of said association.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the aforementioned association this 12th day of April 1968.

Carl W. Desch
Cashier

Witness:

UNITED STATES OF AMERICA)
STATE OF NEW YORK, : ss.:
COUNTY OF NEW YORK)

On this 12th day of April 1968, before me, a Notary Public in and for the County and State of New York, United States of America, and the above attesting witnesses, appeared Carl W. Desch, domiciled in Garden City, Long Island, New York, to me known, and known to me to be the Cashier of FIRST NATIONAL CITY BANK and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Carl W. Desch is duly authorized to affix same to said certificate.

Notary Public

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1969

RESOLVED that Article Fifth of the Articles of Association of this Bank is amended to read in its entirety as follows:

Fifth. The amount of capital stock which the Association shall have authority to issue is $472,500,000 divided into 35,000,000 shares of the par value of $13.50 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. There shall be no pre-emptive or preferential right to subscribe for, purchase, or receive any shares of the Association issued pursuant to its 1963 or 1968 Stock Option Plans, its 1964 Stock Purchase Plan, or in conversion of its Convertible Capital Notes Due 1990.

FIRST NATIONAL CITY BANK

CARL W. DESCH
SENIOR VICE PRESIDENT
AND CASHIER

399 PARK AVENUE, NEW YORK, N. Y. 10022

April 12, 1968

VIA AIR MAIL

Mr. Richard S. Vokey
Vice President
First National City Bank
34 Moorgate
London E. C. 2, England

Re: Articles of Association

Dear Mr. Vokey:

We enclose one copy of the Bank's Articles of Association as amended to March 5, 1968, certified by the Deputy Comptroller of the Currency, and authenticated by the Treasury Department, the Department of State and the British Embassy in Washington, D. C.

The March 5, 1968 amendment of the Articles relates to a change in Article Fifth to include reference to the 1968 Stock Option Plan.

We also enclose two uncertified copies of the Articles and two copies of the resolution approved by the shareholders relating to the above amendment.

Sincerely,

C. W. Desch

cc: Overseas Division - Operations

Number of Company | F. 1835 ✓ 135

THE COMPANIES ACTS 1948 to 1967

RETURN of ALTERATION in the NAMES or ADDRESSES of the persons resident in Great Britain authorised to accept service on behalf of an Oversea Company.

Pursuant to section 409 of the Companies Act 1948.

Insert the Name of the Company | FIRST NATIONAL CITY BANK ✓

XXXXXXXX

NOTE.—This return must be delivered to the Registrar within *twenty-one days* of making such alterations or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If the Company fails to deliver this return within the prescribed time the Company and every officer and agent of the Company is liable to a fine not exceeding £50, or, in the case of a continuing offence, of £5 for every day during which the default continues.

Presented by ..... *Presentor's Reference* T.5731/HSP/KC HSP.1151/KC

Coward Chance

Royex House, Aldermanbury Square,

LONDON, EC2V 7LD.

Form No. 6F
(No filing fee payable)

The Solicitors' Law Stationery Society, Limited
Oyez House, Breams Buildings, Fetter Lane, London EC4P 4BU
and at Birmingham, Cardiff, Liverpool, Manchester and Glasgow.
PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS.

F20002.20-7-71 Companies F6

-9 JAN 1973

DAMAGED DOCUMENT

Return of Alteration in the Names or Addresses of the persons resident in Great Britain authorised to accept on behalf of the Company service of process and any Notices required to be served on FIRST NATIONAL CITY BANK

a Company incorporated in(a) NEW YORK and which has established a place of business in Great Britain at 34 Moorgate London E.C.2.

PARTICULARS OF ALTERATION.

RICHARD SNOW VOLEY
of
"Catherine of Aragon"
Dogmersfield
Nr. Basingstoke,
Hampshire
ceased on the 30th day of September 1972 to be authorised to accept on behalf of the company service of process and notices required to be served on it

ROY HOBBS DICKERSON, SVP, (a citizen of the United States of America)
of
Citibank House,
336 Strand,
London WC2R 1HB,
has since that time been so authorised.

Note.—The margin is reserved for binding and must not be written on

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act 1948 or of some other person in Great Britain duly authorised by the Company.

Dated the Third day of January 1973.

(a) Country of origin.

NOTE.—The full Names, Addresses and Descriptions should be given of the persons appointed in place of those on the Register. Where the alteration is only in the Address of a person already on the Register the Name and Description and new Address should be given.

DAMAGED DOCUMENT

Number of Company } F. 1835 /138

Form No. 5F
(No filing fee payable)

THE COMPANIES ACTS 1948 to 1967

RETURN OF ALTERATION IN THE LIST OR PARTICULARS OF DIRECTORS AND THE SECRETARY OF AN OVERSEA COMPANY

(Pursuant to section 409 of the Companies Act 1948)

Insert the Name of the Company FIRST NATIONAL CITY BANK

Where incorporated United States of America

Address of place of business in Great Britain 336 Strand, London WC2R 1HB,
34 Moorgate, London EC2, and 17 Bruton Street, London W1

NOTE.—This Return must be delivered to the Registrar of Companies within *twenty-one days* of making such alteration or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If the Company fails to deliver this notice within the prescribed time, the Company, and every officer or agent of the Company who knowingly or wilfully authorises or permits the default, will be liable to a fine not exceeding £50 or, in the case of a continuing offence, £5 for every day during which the default continues.

Presented by *Presentor's Reference* L518

Legal Department,
First National City Bank,
Citibank House,
336 Strand,
LONDON WC2R 1HB

39

Oyez Publishing Limited, Oyez House, 237 Long Lane, London SE1 4PU, a subsidiary of The Solicitors' Law Stationery Society, Limited.

F362.7-8-73 BW16443 Companies F5

COMPANIES REGISTRATION
7 SEP 1974
25 OFFICE 25

P.T.O.

RETURN OF ALTERATION in the List

Particulars of the Persons who

1 Name. (In the case of an individual, present Christian name or names and surname.† In the case of a corporation, the corporate name)	2 Any former Christian name or names and surname‡	3 Nationality
Hanley, John W.		U.S.A.

Particulars of the Person who

1 Name. (In the case of an individual, present Christian name or names and surname.† In the case of a corporation or a Scottish firm, the corporate or firm name)¶	2 Any former Christian name or names and surname‡	3 Usual residential address. (In the case of a corporation or a Scottish firm, the registered or principal office)¶
Desch, Carl W.		

NOTES

*"Director" includes any person who occupies the position of a director by whatsoever name called and any person in accordance with whose directions or instructions the directors of the company are accustomed to act.

†"Christian name" includes a forename, and "surname" in the case of a peer or person usually known by a title different from his surname means that title.

‡"Former Christian name" and "former surname" do not include—

(a) in the case of a peer or a person usually known [illegible] his surname, the name by which he was known previous to the [illegible] or succession to the title; or

(b) in the case of a [illegible] or discussed before the person bearing [illegible] twenty years; or

(c) in the case of a married woman [illegible]

NOTE.—This margin is reserved for binding and must not be written across.

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n the List or Particulars of Directors and the Secretary

Persons who are Directors* of the Company.

3 Nationality	4 Usual residential address. (In the case of a corporation, the registered or principal office)	5 Other business occupation or directorships (if any). If none, state so§	6 Remarks as to the alteration‖
S.A.	4 Barclay Woods, St. Louis, Missouri 63124 USA	President & Chief Executive Officer, Monsanto Company, Missouri, USA	Mr. Hanley was elected at Board Meeting on August 20, 1974 to replace Mr. Frederick M. Eaton who resigned March 19, 1974

NOTE.—This margin is reserved for binding and must not be written across.

NOTE.—This margin is reserved for binding and must not be written across.

the Person who is the Secretary of the Company

address. or a Scottish firm, cipal office)¶	4 Remarks as to the alteration‖
	Remains Secretary No change

Date 6th September 1974

Signatures of the persons authorised under section 407 (1) (c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

DENIS M. EICHENBERGER
FIRST NATIONAL CITY BANK
CITIBANK HOUSE,
P.O. BOX 78,
336, STRAND, LONDON, WC2R 1HB

with whose directions or
e means it at title.
was known previous to the
the person bearing
or

NOTES

§In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or of some one of those directorships must be entered.

‖A complete list of the directors and secretary shown as existing in the last return must always be given. A note of the changes since the last list was filed should be made in this column, e.g., by placing against a new director's name the words "in place of " and by writing against any former director's name the words "dead", "resigned", or as the case may be.

¶Where all the partners in a firm are the secretaries, the name and principal office of the firm may be stated.

Senior Management

Citicorp

Walter B. Wriston
Chairman

William I. Spencer
President

Edward L. Palmer
Chairman of the Executive Committee

G. A. Costanzo
Vice Chairman

James D. Farley
Executive Vice President

Carl W. Desch
Secretary and Treasurer

Lester Garvin
Chairman Credit Policy Committee

Hans H. Angermueller
Senior Vice President and General Counsel

Stephen C. Eyre
Comptroller

William M. Herne, Jr.
Senior Vice President and General Tax Counsel

Donald S. Howard
Senior Vice President

James F. Jaffray
Senior Vice President

Lawrence M. Small
Senior Vice President

W. James Tozer, Jr.
Senior Vice President

Citibank
Policy Committee

Walter B. Wriston
Chairman

William I. Spencer
President

Edward L. Palmer
Chairman of the Executive Committee

G. A. Costanzo
Vice Chairman

Thomas P. Creamer
Executive Vice President

James D. Farley
Executive Vice President

John S. Reed
Executive Vice President

Reuben F. Richards
Executive Vice President

Thomas C. Theobald
Executive Vice President

John W. Hellshorn
Senior Vice President

George J. Volta
Senior Vice President and General Manager

W. James Tozer, Jr.
Senior Vice President—Citicorp

Lester Garvin
Chairman Credit Policy Committee

Hans H. Angermueller
Senior Vice President and General Counsel

Carl W. Desch
Senior Vice President and Cashier

Leif H. Olsen
Senior Vice President and Economist

Robert W. Feagles
Senior Vice President

John J. Larkin
Senior Vice President

Citibank

Comptroller
Stephen C. Eyre

Senior Vice Presidents

Conrad P. Ahrens
George J. Clark, Jr.
Paul J. Collins
E. Newton Cutler, Jr.
Henry DeFord, III
Roy H. Dickerson
George P. Egbert, Jr.
Paul P. Glaser
Robert P. Graham
William G. Herbster
William M. Herne, Jr.
General Tax Counsel
Donald S. Howard
Anthony O. Hawkins
Freeman H. Huntington
Raymund A. Kathe
Paul H. Kollerjahn
Homer C. Lathrop
George M. Lingua
William A. Lockwood
William M. R. Mapel
P. Henry Mueller
Lewis C. Murdock
Parker H. Nielsen
Victor O. Pratt
George E. Putnam, Jr.
Eben W. Pyne
Robert Rice
Juan D. Sanchez
Lawrence M. Small
Carleton M. Stewart
Richard W. Wheeler
Robert B. White

Transfer Agent:
First National City Bank
Corporate Agency Department
111 Wall Street
New York, N.Y. 10015

Co-Transfer Agents:
Bank of America NT & SA
Corporate Agency Division
Bank of America Center
San Francisco, Calif. 94120

The First National Bank of Chicago
Corporate Trust Department
One First National Plaza
Chicago, Ill. 60670

Registrar:
United States Trust Company of New York
45 Wall Street
New York, N.Y. 10005

Co-Registrars:
The Northern Trust Company
50 South LaSalle Street
Chicago, Ill. 60690

Wells Fargo Bank, N.A.
Corporate Trust Department
475 Sansome Street
San Francisco, Calif. 94120

Japanese Shareholder Service Organization and Paying Bank:
The Yasuda Trust and Banking Company, Limited
Stock Transfer Department
Yasuda Seimei Dairi Building
10-1, Nishi Shinjuki 1-chome, Shinjuku-ku
Tokyo, Japan

Citicorp Stock Listed:
New York Stock Exchange
Midwest Stock Exchange
Pacific Stock Exchange
London Stock Exchange
Amsterdam Stock Exchange
Tokyo Stock Exchange

Notice of the Annual Meeting
The annual meeting of stockholders will be held on Tuesday, March 26, at 11 a.m. in the auditorium of Citicorp headquarters at 399 Park Avenue in New York City.

A formal notice of this meeting, together with a proxy and proxy statement, will be mailed to stockholders, starting about the third week in February. Stockholders who are unable to attend the meeting are urged to sign and return their proxies promptly so that the stock of the Corporation will be represented as fully as possible at the meeting.

Citicorp has approximately 73,000 holders of record of its stock. About 82 percent of the Citicorp shares entitled to vote were voted in person or by proxy at the last annual stockholders' meeting on March 27, 1973.

A companion publication, Supplemental Financial Information, is available by writing to: Citicorp, Investor Relations Department, 399 Park Avenue, New York, N.Y. 10022.

First National City Corporation
399 Park Avenue
New York, N.Y. 10022
559-1000

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Directors

Citicorp

Lord Aldington
K.C., K.C.M.G., G.B.E., D.S.O.
Chairman
National and Grindlays Bank Limited

Frank E. Barnett
Chairman of the Board and Chief Executive Officer
Union Pacific Corporation and
Union Pacific Railroad Company

William M. Batten
Chairman
J. C. Penney Company, Inc.

Arthur G. Cohen
Chairman of the Board and Chief Executive Officer
Arlen Realty and Development Corporation

G. A. Costanzo
Vice Chairman

John D. deButts
Chairman of the Board
American Telephone and Telegraph Company

Fredrick M. Eaton
Shearman & Sterling

Dr. Louis K. Eilers
Director
Eastman Kodak Company

Dr. Lawrence E. Fouraker
Dean of the Faculty of Business Administration
Harvard Business School

Clifton C. Garvin, Jr.
President
Exxon Corporation

J. Peter Grace
Chairman and Chief Executive Officer
W. R. Grace & Co.

Harry J. Gray
Chairman, President and Chief Executive Officer
United Aircraft Corporation

Robert S. Hatfield
Chairman of the Board and Chief Executive Officer
Continental Can Company, Inc.

H. J. Haynes
President
Standard Oil Company of California

Amory Houghton, Jr.
Chairman of the Board
Corning Glass Works

C. Peter McColough
Chairman of the Board and Chief Executive Officer
Xerox Corporation

Charles B. McCoy
Chairman of the Finance Committee
E. I. du Pont de Nemours & Company

*Roger Milliken
President
Deering Milliken, Inc.

Robert S. Oelman
Chairman
The National Cash Register Company

Edward L. Palmer
Chairman of the Executive Committee

Dr. Eleanor H. B. Sheldon
President
Social Science Research Council

Darwin E. Smith
Chairman of the Board and Chief Executive Officer
Kimberly-Clark Corporation

William I. Spencer
President

Franklin A. Thomas
President
Bedford-Stuyvesant Restoration Corporation

Walter B. Wriston
Chairman

Citibank

William M. Batten
Chairman
J. C. Penney Company, Inc.

John D. deButts
Chairman of the Board
American Telephone and Telegraph Company

Fredrick M. Eaton
Shearman & Sterling RESIGNED 10/3/74

Dr. Louis K. Eilers
Director
Eastman Kodak Company

Dr. Lawrence E. Fouraker
Dean of the Faculty of Business Administration
Harvard Business School

Clifton C. Garvin, Jr.
President
Exxon Corporation

J. Peter Grace
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W. R. Grace & Co.

Harry J. Gray
Chairman, President and
Chief Executive Officer
United Aircraft Corporation

Robert S. Hatfield
Chairman of the Board and
Chief Executive Officer
Continental Can Company, Inc.

H. J. Haynes
President
Standard Oil Company of California

Amory Houghton, Jr.
Chairman of the Board
Corning Glass Works

George P. Jenkins
Chairman of the Board
Metropolitan Life Insurance Company

C. Peter McColough
Chairman of the Board and
Chief Executive Officer
Xerox Corporation

Charles B. McCoy
Chairman of the Finance Committee
E. I. du Pont de Nemours & Company

Roger Milliken
President
Deering Milliken, Inc.

Robert S. Oelman
Chairman
The National Cash Register Company

Edward L. Palmer
Chairman of the Executive Committee

Charles M. Pigott
President
PACCAR Inc.

William M. Rees
Chairman and President
The Chubb Corporation

Dr. Eleanor H. B. Sheldon
President
Social Science Research Council

Darwin E. Smith
Chairman of the Board and
Chief Executive Officer
Kimberly-Clark Corporation

William I. Spencer
President

Franklin A. Thomas
President
Bedford-Stuyvesant Restoration Corporation

Albert L. Williams
Chairman of the Finance Committee
International Business Machines Corporation

Walter B. Wriston
Chairman

Citicorp
Director Committees

Audit
Charles B. McCoy (Chairman)
Frank E. Barnett
Fredrick M. Eaton
Amory Houghton, Jr.
C. Peter McColough

Executive
William M. Batten
John D. deButts
Fredrick M. Eaton
Clifton C. Garvin, Jr.
C. Peter McColough
Franklin A. Thomas

Ex-Officio Members
Walter B. Wriston
William I. Spencer
Edward L. Palmer

Personnel
William M. Batten (Chairman)
Clifton C. Garvin, Jr.
Robert S. Hatfield
Charles B. McCoy
Robert S. Oelman

Urban Affairs
William I. Spencer (Chairman)
Lawrence E. Fouraker
Franklin A. Thomas

Citibank
Director Committees

Accounting
John D. deButts (Chairman)
Fredrick M. Eaton
C. Peter McColough

Examining
Albert L. Williams (Chairman)
Fredrick M. Eaton
Louis K. Eilers
Lawrence E. Fouraker
George P. Jenkins
C. Peter McColough
William M. Rees

Executive
William M. Batten
John D. deButts
Fredrick M. Eaton
J. Peter Grace
George P. Jenkins
C. Peter McColough

Ex-Officio Members
Walter B. Wriston
William I. Spencer
Edward L. Palmer

Fiduciary Review
Lawrence E. Fouraker (Chairman)
H. J. Haynes
Roger Milliken
Charles M. Pigott
William M. Rees

Personnel
William M. Batten (Chairman)
Clifton C. Garvin, Jr.
Robert S. Hatfield
Charles B. McCoy
Robert S. Oelman

Number of Company | F. 1835 | 39

THE COMPANIES ACTS 1948 to 1967

Return of Alteration in the Charter, Statutes, Memorandum or Articles of Association or other Instrument constituting or defining the Constitution of an Oversea Company

Pursuant to section 400 of the Companies Act 1948

Insert the Name of the Company: FIRST NATIONAL CITY BANK

NOTE.—This Return must be delivered to the Registrar of Companies within twenty-one days of making such alteration or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If any Company fails to deliver this Return within the prescribed time the Company and every officer or agent of the Company is liable to a fine not exceeding £50, or, in case of a continuing offence, £5 for every day during which the default continues.

Presented by Coward Chance

Royex House, Aldermanbury Square,

London E.C.2

Presentor's Reference HSP.1511

Form No. 4F
(No filing fee payable.)

Printed and Published by The Solicitors' Law Stationery Society, Limited, Oyez House, Breams Buildings, Fetter Lane, London, E.C.4, and at Birmingham, Cardiff, Liverpool, Manchester and Glasgow.

PRINTERS AND PUBLISHERS OF COMPANIES' BOOKS AND FORMS

F10782.10-5-71 Companies F4

26 SEP 1974

(P.T.O.

RETURN of Alteration in the (a) Articles of Association

a company incorporated in (b) New York

and which has established a place of business in Great Britain at 34 Moorgate, London, E.C.2.

(a) Certified Copy of Alteration or Certified Copy of new Deed, if one has been executed, accompany this Return and

Note.—This margin is reserved for binding and must not be written across

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.

(b) Country of Origin.

(c) The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order 1949 (as amended). These paragraphs are reproduced on the back of this form.

constituting

and Certified Tra
be shortly referre

Note.—This margin is reserved for binding and must not be written across

Dated

constituting or defining the constitution of First National City Bank

and Certified Translation of Alteration or Deed, if not in English language, must be shortly referred to here.

Note. This margin is reserved for binding and must not be written across

Note. This margin is reserved for binding and must not be written across

Signatures of the persons authorised under section 407 (1) (c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the Company.

Coward Chance

Solicitors to the Company.

Dated the Twenty-fourth day of September 1974

No. 72/5838-27

United States of America

DEPARTMENT OF STATE

To [illegible] whom these presents shall come, Greeting:

I That the document hereunto annexed is under the seal of the D[illegible]partment of the United States of America, and that such seal is [illegible] full faith and credit.*

Seen for the attestation of the signature and seal of the DEPARTMENT OF STATE OF the United States OF AMERICA
affixed by BARBARA HARTMAN
This FOURTEENTH day of JUNE, 1972
at the British Embassy (Consular Section)
Washington, D.C.

British Vice Consul

The British Embassy accepts no responsibility for the contents of this document.

BRITISH EMBASSY WASHINGTON
14 JUN 1972
CONSULAR SECTION

In testimony whereof, I, William P. Rogers, *Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this* 14th *day of* June, 19 72.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

William P. Rogers
Secretary of State.

By Barbara Hartman
Authentication Officer, Department of State.

U.S. GOVERNMENT PRINTING OFFICE : 1964—O-230 394

INDISTINCT ORIGINAL

United States of America

7.5838.27

TREASURY DEPARTMENT
WASHINGTON

Date: May 25, 1972

TO ALL [illegible]OM THESE PRESENTS SHALL COME, GREETING:

I cert[illegible]t the annexed certification, dated May 25, 1972, hereto attach[illegible] signed by J. T. Watson, who was duly appointed and now is Deputy [illegible]ller of the Currency and bears his genuine signature, and that t[illegible]f the Office of the Comptroller of the Currency affixed thereto [illegible]station thereof is the official seal of the Comptroller of the Cu[illegible]y.

on file [illegible]his [illegible]rtment.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Chief, Directives Control and
Distribution Section
Office of Central Services
Treasury Department

GPO 16—77270-1 TREASURY DEPARTMENT—FORM 2547 (REV. 8-69)

INDISTINCT ORIGINAL

CERTIFICATE

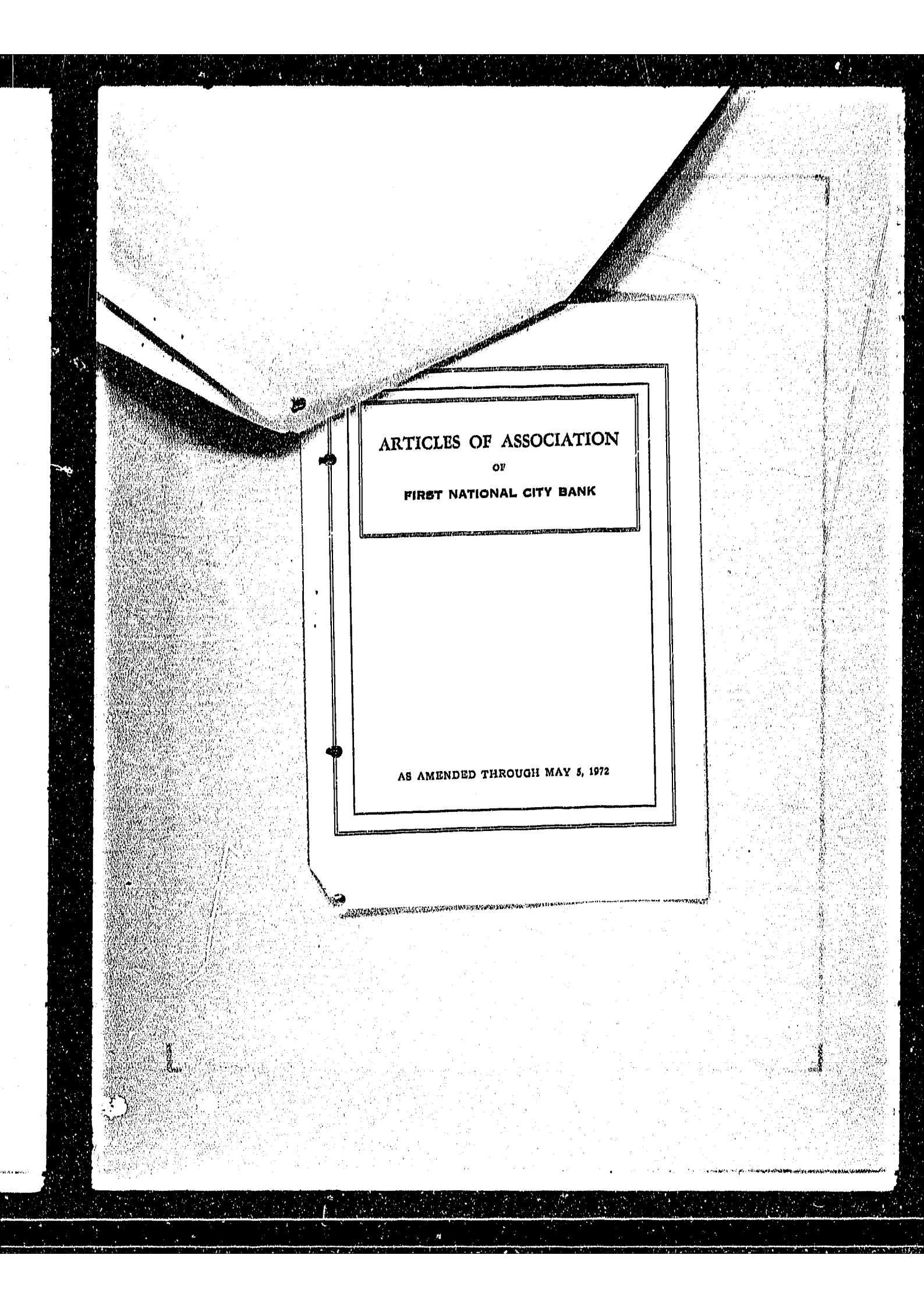
TREASURY DEPARTMENT)
Office of) ss:
Comptroller of the Currency)

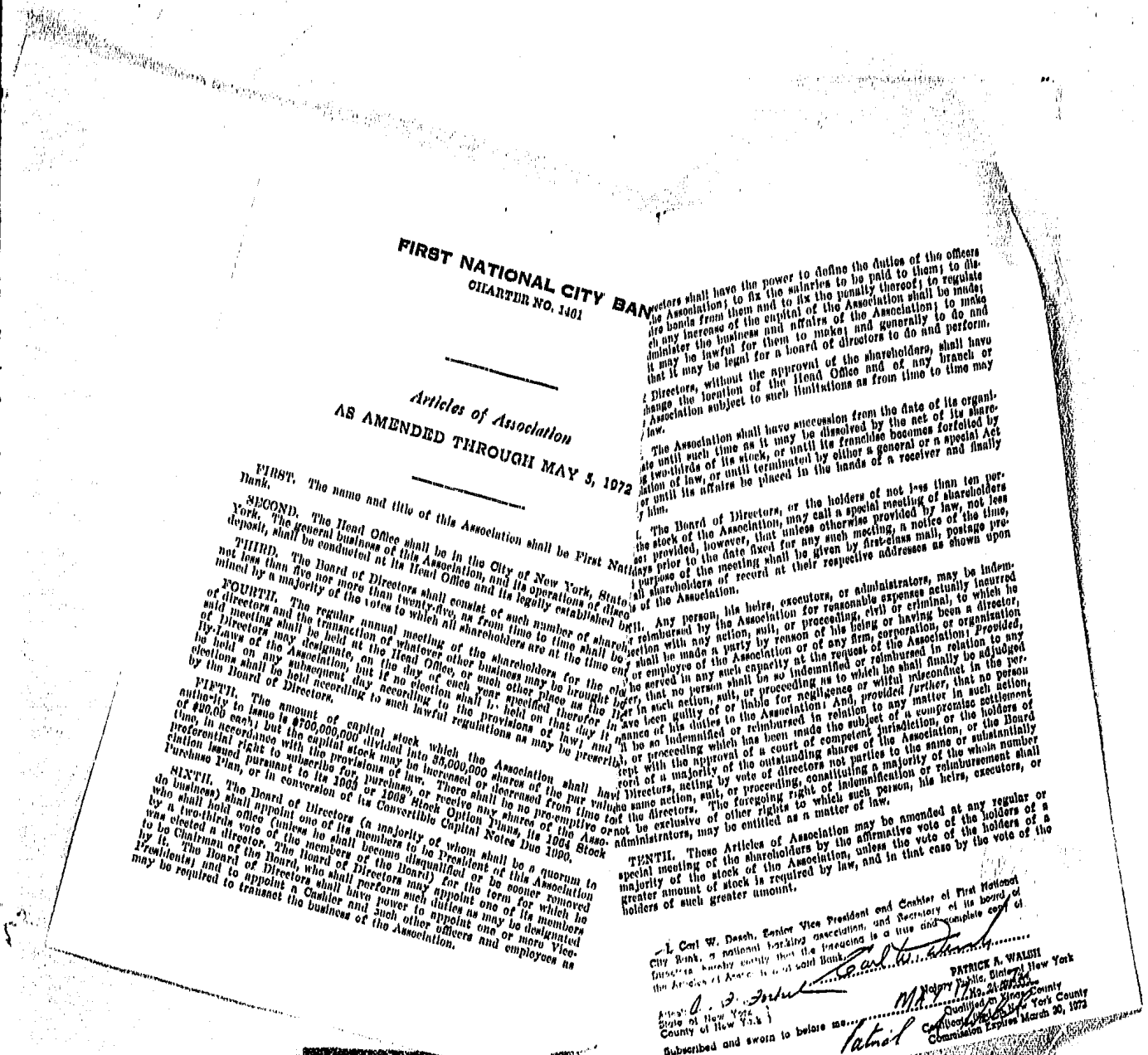
I, J. T. Watson, Deputy Comptroller of the Currency, hereby certify that the document hereto attached is a true and complete copy recorded in this Office, of the currently effective Articles of Association First National City Bank, New York, New York.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 25th day of May, A. D. 1972.

J. T. Watson
Deputy Comptroller of the Currency

INDISTINCT ORIGINAL


ARTICLES OF ASSOCIATION
OF
FIRST NATIONAL CITY BANK
AS AMENDED THROUGH MAY 5, 1972



FIRST NATIONAL CITY BAN
CHARTER NO. 1461

Articles of Association

AS AMENDED THROUGH MAY 5, 1972

FIRST. The name and title of this Association shall be First Nat
Bank.

SECOND. The Head Office shall be in the City of New York, State
York. The general business of this Association, and its operations of dispo
deposit, shall be conducted at its Head Office and its legally established bra

THIRD. The Board of Directors shall consist of such number of shareh
not less than five nor more than twenty-five, as from time to time shall be
of directors and the transaction of whatever other business may be brought
said meeting shall be held at the Head Office, or such other place as the
By-Laws of the Association, on the day of each year specified therefor in
Directors may designate, or if no election shall be held on that day, it
be held on any subsequent day according to the provisions of law; and if
elections shall be held according to such lawful regulations as may be prescrib
by the Board of Directors.

FOURTH. The regular annual meeting of the shareholders for the ele
said meeting shall be held at the Head Office, or such other place as the Boar
By-Laws of the Association, on the day of each year specified therefor in
Directors may designate, or if no election shall be held on that day, it
be held on any subsequent day according to the provisions of law; and if
elections shall be held according to such lawful regulations as may be prescrib
by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have
authority to issue is $700,000,000 divided into 56,000,000 shares of the par value
of $10.00 each; but the capital stock may be increased or decreased from time to
time, in accordance with the provisions of law. There shall be no pre-emptive or
preferential right to subscribe for, purchase, or receive any shares of the Asso-
ciation issued pursuant to its 1963 or 1968 Stock Option Plans, its 1964 Stock
Purchase Plan, or in conversion of its Convertible Capital Notes Due 1990.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to
do business) shall appoint one of its members to be President of this Association
who shall hold office (unless he shall become disqualified or be sooner removed
by a two-thirds vote of the members of the Board) for the term for which he
was elected a director. The Board of Directors may appoint one of its members
to be Chairman of the Board, who shall perform such duties as may be designated
by it. The Board of Directors shall have power to appoint one or more Vice-
Presidents, and to appoint a Cashier and such other officers and employees as
may be required to transact the business of the Association.

rectors shall have the power to define the duties of the officers
the Association; to fix the salaries to be paid to them; to dis-
ire bonds from them and to fix the penalty thereof; to regulate
ch any increase of the capital of the Association; to make
dminister the business and affairs of the Association; to make
it may be lawful for them to make; and generally to do and
that it may be legal for a board of directors to do and perform.

Directors, without the approval of the shareholders, shall have
change the location of the Head Office and of any branch or
Association subject to such limitations as from time to time may
law.

The Association shall have succession from the date of its organi-
ate until such time as it may be dissolved by the act of its share-
g two-thirds of its stock, or until its franchise becomes forfeited by
ation of law, or until terminated by either a general or a special Act
or until its affairs be placed in the hands of a receiver and finally
y him.

. The Board of Directors, or the holders of not less than ten per-
the stock of the Association, may call a special meeting of shareholders
ot provided, however, that unless otherwise provided by law, not less
days prior to the date fixed for any such meeting, a notice of the time,
purpose of the meeting shall be given by first-class mail, postage pre-
all shareholders of record at their respective addresses as shown upon
of the Association.

II. Any person, his heirs, executors, or administrators, may be indem-
reimbursed by the Association for reasonable expenses actually incurred
ection with any action, suit, or proceeding, civil or criminal, to which he
shall be made a party by reason of his being or having been a director,
or employee of the Association or of any firm, corporation, or organization
ny such capacity at the request of the Association; *Provided*,
be served in any such action, suit, or proceeding as to which he shall finally be adjudged
that no person shall be so indemnified or reimbursed in relation to any
ter in such action, suit, or proceeding was liable for negligence or wilful misconduct in the per-
ave been guilty of or liable for negligence or wilful misconduct in the per-
nance of his duties to the Association; *And, provided further*, that no person
ll be so indemnified or reimbursed in relation to any matter in such action,
t, or proceeding which has been made the subject of a compromise settlement
cept with the approval of a court of competent jurisdiction, or the Board
cord of a majority of the outstanding shares of the Association, or the whole number
Directors, acting by vote of directors not parties to the same or substantially
same action, suit, or proceeding, constituting a majority of the whole number
not be exclusive of other rights to which such person, his heirs, executors, or
the directors. The foregoing right of indemnification or reimbursement shall
administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or
special meeting of the shareholders by the affirmative vote of the holders of a
majority of the stock of the Association, unless the vote of the holders of a
greater amount of stock is required by law, and in that case by the vote of the
holders of such greater amount.

I, Carl W. Desch, Senior Vice President and Cashier of First National
City Bank, a national banking association, and Secretary of its Board of
Directors, hereby certify that the foregoing is a true and complete copy of
the Articles of Association of said Bank.

Carl W. Desch

Attest: A. D. Forbes

State of New York }
County of New York }

Subscribed and sworn to before me this 19th day of May, 1972

M. Halpern
Notary Public, District of New York
No. 24-0788600
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 30, 1973

TIGHT BINDING

Form No. 5F
(No filing fee payable)

Number of Company F 1835 140.

THE COMPANIES ACTS 1948 to 1967

RETURN OF ALTERATION IN THE LIST OR PARTICULARS OF DIRECTORS AND THE SECRETARY OF AN OVERSEA COMPANY

(Pursuant to section 409 of the Companies Act 1948)

Insert the Name of the Company FIRST NATIONAL CITY BANK

Where incorporated United States of America

Address of place of business in Great Britain 336 Strand, London WC2R 1HB and 34 Moorgate, London EC2

NOTE.—This Return must be delivered to the Registrar of Companies within *twenty-one days* of making such alteration or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If the Company fails to deliver this notice within the prescribed time, the Company, and every officer or agent of the Company who knowingly or wilfully authorises or permits the default, will be liable to a fine not exceeding £50 or, in the case of a continuing offence, £5 for every day during which the default continues.

Presented by

Presentor's Reference L518

Legal Department
First National City Bank,
Citibank House,
336 Strand,
LONDON WC2R 1HB

Oyez Publishing Limited, Oyez House, 237 Long Lane, London SE1 4PU, a subsidiary of The Solicitors' Law Stationery Society, Limited.

F362.7-8-73 BW16443 Companies F5

COMPANIES REGISTRATION O.T.O. 5 OFFICE 5

RETURN OF ALTERATION in the List

Particulars of the Persons who

1 Name. (In the case of an individual, present Christian name or names and surname.† In the case of a corporation, the corporate name)	2 Any former Christian name or names and surname‡	3 Nationality
Shapiro, Irving S.		U.S.A.

Particulars of the Person who

1 Name. (In the case of an individual, present Christian name or names and surname.† In the case of a corporation or a Scottish firm, the corporate or firm name)¶	2 Any former Christian name or names and surname‡	3 Usual residential address. (In the case of a corporation or a Scottish firm, the registered or principal office)¶
Desch, Carl W.		

NOTES

*"Director" includes any person who occupies the position of a director by whatsoever name called and any person in accordance with whose directions or instructions the directors of the company are accustomed to act.

†"Christian name" includes a forename, and "surname" in the case of a peer or person usually known by a title different from his surname means that title.

‡"Former Christian name" and "former surname" do not include—

(a) in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

(b) in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

(c) in the case of a married woman the name or surname by which she was known previous to the marriage.

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NOTE.—This margin is reserved for binding and must not be written across.

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are Directors*

Usual re
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or pr

P. O. Box 3
Greenville
Delaware

Is the Secretar

Remarks as to

Remains S
No change

‡In the case of an indi
of those direct

||A complete list of th
should be ma
any former di

¶Where all the partners

or Particulars of Directors and the Secretary

are Directors* of the Company.

4 Usual residential address. (In the case of a corporation, the registered or principal office)	5 Other business occupation or directorships (if any). If none, state so§	6 Remarks as to the alteration‖
P. O. Box 3835, Greenville, Delaware 19807	Chairman of the Board and Chief Executive Officer, E. I. du Pont de Nemours & Company, USA	Mr. Shapiro was elected at Board Meeting on January 21 1975 to replace Mr. Charles B. McCoy who resigned December 17, 1974

NOTE.—This margin is reserved for binding and must not be written across.

Is the Secretary of the Company

4 Remarks as to the alteration‖
Remains Secretary No change

NOTE.—This margin is reserved for binding and must not be written across.

Date 14th February 19[illegible]

Signatures of the persons authorised under section 438 (1) (c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger,
First National City Bank,
Citibank House, 336 Strand,
London WC2R 1HE.

NOTES

§In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or of some one of those directorships must be entered.

‖A complete list of the directors and secretary shown as existing in the last return must always be given. A note of the changes since the last list was filed should be made in this column, e.g., by placing against a new director's name the words "in place of " and by writing against any former director's name the words "dead", "resigned", or as the case may be.

¶Where all the partners in a firm are joint secretaries, the name and principal office of the firm may be stated.

FIRST NATIONAL CITY BANK

CABLES: CITIBANK, LONDON, WC2R 1HB
PHONE: 01-240 1288.
TELEX: LONDON 24701.

336, STRAND, LONDON, WC2R 1HB

Registrar of Companies,
(Board of Trade),
Companies House,
55 City Road,
London EC1

14th February, 1975
Our Ref: DME/CM
File No. L518

Dear Sir,

Re: First National City Bank
Company No. F1835

We send you herewith Form 5F covering the resignation from the Board of Directors of this Company of Mr. Charles B. McCoy and the appointment in his stead of Mr. Irving S. Shapiro.

A copy of the Bank's latest Annual Report was forwarded to you with our letter of 6th September, 1974 which, in the past, you have been kind enough to accept in lieu of all the particulars called for on Form 5F as it gives details (on page 59) of the Directors of the Bank and its holding company. We trust that this will be acceptable but, of course, remain at your disposal if you require any further particulars.

Yours faithfully,

[signature]

D. M. Eichenberger
Manager

INCORPORATED WITH LIMITED LIABILITY UNDER THE NATIONAL BANK ACT OF THE UNITED STATES OF AMERICA

Number of Company F 1835 / 142

Form No. 4F
(No registration fee payable.)

THE COMPANIES ACTS 1948 to 1967

Return of Alteration in the Charter, Statutes, Memorandum or Articles of Association or other Instrument constituting or defining the Constitution of an Oversea Company

Pursuant to section 400 of the Companies Act 1948

Insert the Name of the Company FIRST NATIONAL CITY BANK

NOTE.—This Return must be delivered to the Registrar of Companies within twenty-one days of making such alteration or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If any Company fails to deliver this Return within the prescribed time the Company and every officer or agent of the Company is liable to a fine not exceeding £50, or, in case of a continuing offence, £5 for every day during which the default continues.

Presented by First National City Bank,
336 Strand,
London, WC2R 1HB

Presentor's Reference. L569

50

COMPANIES REGISTRATION
21 JAN 1976
26 OFFICE 26

Oyez Publishing Limited, Oyez House, Breams Buildings, London EC4P 4BU. Publishing Subsidiary of The Solicitors' Law Stationery Society, Limited.

P100/90.2-8-72 Companies F4

COMPANIES REGISTRATION
21 JAN 1976
43 OFFICE 43

(P.T.O.

RETURN of Alteration in the (a) Articles of Association

a company incorporated in (b) the United States of America

and which has established a place of business in Great Britain at
336 Strand, London WC2R 1HB and 1/3 Donegal Square South, Belfast, Northern Ireland, BT1 5LR

(c) Certified Copy of Alteration or Certified Copy of new Deed, if one has been executed, accompany this Return and

Note.—The margin is reserved for binding and must not be written across

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.

(b) Country of Origin.

(c) The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order 1949 (as amended). These paragraphs are reproduced on the back of this form.

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Note.—The margin is reserved for binding and must not be written across

Dated

constituting ~~or defining the constitution of~~ a change in Article fifth which now authorises the issuance of capital stock up to a total outstanding of $800,000,000 (United States Dollars Eight Hundred Million).

South,

been executed, is Return and

and Certified Translation of Alteration or Deed, if not in English language, must be shortly referred to here.

Note.—The margin is reserved for binding and must not be written across

Note.—The margin is reserved for binding and must not be written across

Denis M. Eichenberger,
Manager

Signatures of the persons authorised under section 407 (1) (c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the Company.

strument as the

ragraphs 2 and 5 luced on the back

Dated the 20th day of January 1976

No. 76/14675-0

United States of America

DEPARTMENT OF STATE

To [illegible] om these presents shall come, Greeting:

That the document hereunto annexed is under the seal of the ------Treasury Department------, Un[illegible] of America, and that such seal is entitled to full faith and cr[illegible]

In testimony whereof, I, Robert G. Ingersoll, Acting Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this twenty-fourth day of October, 1975.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Robert G. Ingersoll
Acting Secretary of State.

By Edwin M. McGowan
Acting Authentication Officer, Department of State.

[illegible] Certificate not valid if it is removed or altered in any way whatsoever.

U.S. GOVERNMENT PRINTING OFFICE: 1971—O-461-178

Certificate filed in New York County
Commission Expires March 30, 1977

INDISTINCT ORIGINAL

Seen for the attestation of the signature
and seal of Edward H. McGowen
acting authentication officer Department of State
This 26th day of November, 1975
at the British Embassy (Consular Section)
Washington, D.C.

British Pro Consul

The British Embassy accepts no responsibility
for the contents of this document.

United States of America

7514573-L

DEPARTMENT OF THE TREASURY
WASHINGTON

Date: October 14, 1975

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I CERTIFY that the annexed certification, dated October 14, 1975, hereto attached, was signed by James E. Smith, who was duly appointed and now is Comptroller of the Currency and bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in attestation thereof is the official seal of the Comptroller of the Currency.

Of record in the Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Department of the Treasury to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Chief, Document Distribution Section
Document Management Branch
Office of Administrative Programs
Department of the Treasury

DEPARTMENT OF THE TREASURY—FORM 2147 (REV. 8-71)

INDISTINCT ORIGINAL

7514573-6

CERTIFICATE

TREASURY DEPARTMENT)
Office of) ss:
roller of the Currency)

James E. Smith, Comptroller of the Currency, do hereby certify that
a document hereto attached is a true and complete copy, as recorded
this office, of the currently effective Articles of Association of
st National City Bank, New York, New York.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this Fourteenth day of October, A. D. 1975.

James E. Smith
Comptroller of the Currency

Notarial Seal
Certificate Filed in New York County
Commission Expires March 30, 1977

INDISTINCT ORIGINAL

ARTICLES OF ASSOCIATION

OF

FIRST NATIONAL CITY BANK

AS AMENDED THROUGH SEPTEMBER 29, 1975

FIRST NATIONAL CITY BANK

CHARTER NO. 1461

Articles of Association

AS AMENDED THROUGH SEPTEMBER 29, 1975

FIRST. The name and title of this Association shall be First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

I, Carl W. Desch, Senior Vice President and Cashier of First National City Bank, a national banking association, and Secretary of its board of Directors, hereby certify that the foregoing is a true and complete copy of the Articles of Association of said Bank.

Attest: C. W. Desch

State of New York }
County of New York }

Subscribed PATRICK A. WALSH before me this 3 day of October 1975

Notary Public, State of New York
No. 31-4134415
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1977

Patrick A. Walsh

TIGHT BINDING

No. of Company F. 1835/143

Form No. 41
(No registration fee payable)

THE COMPANIES ACTS 1948 TO 1967

Return of alteration in the charter, statutes, etc, of an oversea company

Pursuant to Section 409 of the Companies Act 1948

Name of Company ..CITIBANK, N.A.....

Return of alteration in the *(see note 1)* ..Articles of Association.....

.....

constituting or defining the constitution of the above-named company, a company incorporated in *(see note 2)* .....U.S.A.....and which has established a place of business in Great Britain at ...336 Strand, London WC2R 1HB/ 1/3 Donegal Square, South, Belfast, Northern Ireland.

A certified copy of alteration or a certified copy of the new deed, if one has been executed, and a certified translation of alteration or deed if not in the English language *(see note 3)* must accompany this return and be briefly referred to below:-

(1) Certified copy of Resolution amending Article First of Articles of Association.

(2) Certified copy of Certificate of Comptroller of the Currency approving the change postulated in (1) above effective 1st March, 1976.

Signatures of the persons authorised under Section 407(1)(c) of the Companies Act 1948 or of some other person in Great Britain duly authorised by the Company.

.....

Date .....11th May, 1976.....

Notes: 1. Insert "Charter", "Statutes", "Memorandum or Articles of Association" or other instrument as the case may be

2. Insert country of origin

3. The copy and translation (if any) must be certified as prescribed in paragraphs 2 and 5 of the Companies (Forms) Order 1949 (see overleaf)

4. This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the Company is incorporated

Presented by: Citibank, N.A.,
336 Strand,
London WC2R 1JD

COMPANIES REGISTRATION
12 MAY 1976
35 [illegible] 35

Presentor's reference: L518

Margin reserved for binding

Work for 4 F

FIRST NATIONAL CITY BANK

Telephone 01 240 1222

336, STRAND, LONDON, WC2R 1HB

The Registrar of Companies,
Companies House,
Old Street,
London EC1

1st March, 1976

Dear Sir,

Re: Company No. F1835
First National City Bank Articles of Association
Our Ref: L569/1013

Kindly be advised that on the 20th February, 1976 a Special Meeting of Shareholders of this Bank adopted the following Resolution:-

"RESOLVED that, effective upon the date specified in an appropriate certificate of approval to be issued by the Comptroller of the Currency, the name and title of this Bank shall be changed to "Citibank, N.A.", and Article First of the Articles of Association of this Bank shall be amended to read as follows:

"FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in connunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank."

We understand that the certificate of approval to be issued by the Comptroller of the Currency will bring about the change of name effective as of today and we shall, of course, let you have this certificate and the certified Resolution as soon as these come into our possession.

Yours faithfully,

Denis M. Eichenberger
Manager, Legal Department

COMPANIES REGISTRATION
12 MAY 1976
35 CARDIFF 35

No. 70/4061-00

4

United States of America

DEPARTMENT OF STATE

To [illegible] am these presents shall come, Greeting:

That the document hereunto annexed is under the seal of the ----------Department of the Treasury--------,

Un[illegible] of America, and that such seal is entitled to full faith and

cr[illegible]

In testimony whereof, I, Henry A. Kissinger,

Secretary of State, have hereunto caused the seal of the Depart-

ment of State to be affixed and my name subscribed by the Authenti-

cation Officer of the said Department, at the city of Washington, in

the District of Columbia, this fifth

day of April, 19 70.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Henry A. Kissinger
Secretary of State.

By Frances Q. Gillies
Authentication Officer, Department of State.

[illegible] Ca[illegible] is not valid if it is removed or altered in any way whatsoever.

U.S. GOVERNMENT PRINTING OFFICE: 1971—O-461-179

INDISTINCT ORIGINAL

5

United States of America 7604851 -76

DEPARTMENT OF THE TREASURY
WASHINGTON

Date: March 24, 1976

TO WHOM THESE PRESENTS SHALL COME, GREETING:

I certify that the annexed certification, dated March 24, 1976, hereto attached, was signed by James E. Smith, who was duly appointed and now is Comptroller of the Currency and bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in attestation that it is the official seal of the Comptroller of the Currency.

[illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Department of the Treasury to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Irving M. Hudson, Jr.

Chief, Document Distribution Section
Document Management Branch
Office of Administrative Programs
Department of the Treasury

DEPARTMENT OF THE TREASURY—FORM 3247 (REV. 8-71)

INDISTINCT ORIGINAL

6

CERTIFICATE

TREASURY DEPARTMENT)
Office of) ss:
mptroller of the Currency)

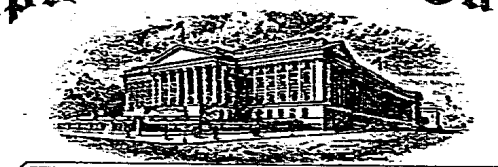
I, James E. Smith, Comptroller of the Currency, do hereby certify the document hereto attached is a true and complete copy, as recorded his office, of the certificate issued on February 24, 1976, approving, tive March 1, 1976, a change of the name of First National City Bank, ork, New York, to "Citibank, N. A."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 24th day of March, A. D. 1976.

James E. Smith
Comptroller of the Currency

INDISTINCT ORIGINAL

Comptroller of the Currency



WASHINGTON, D.C.

Whereas, satisfactory notice has been transmitted to the Comptroller of the Currency evidencing that all requisite legal and corporate action has been taken by

FIRST NATIONAL CITY BANK,

located in NEW YORK, State of NEW YORK, in accordance with the statutes of the United States, to authorize a change of the name of that association to

CITIBANK, N. A.;

Now, Therefore, it is hereby certified that such change of name of said association is approved, effective March 1, 1976.

In Testimony Whereof, witness my signature and seal of office this 24th day of February, 1976.

INDISTINCT ORIGINAL

James E. Smith

Comptroller of the Currency

Charter No. [illegible]

Form No. 6F
(No filing fee payable)

Number of Company | F 1835/144

THE COMPANIES ACTS 1948 to 1967

RETURN of ALTERATION in the NAMES or ADDRESSES of the persons resident in Great Britain authorised to accept service on behalf of an Oversea Company.

Pursuant to section 409 of the Companies Act 1948.

Insert the Name of the Company | CITIBANK, N.A.

~~LIMITED~~

NOTE.—This return must be delivered to the Registrar within *twenty-one days* of making such alterations or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If the Company fails to deliver this return within the prescribed time the Company and every officer and agent of the Company is liable to a fine not exceeding £50, or, in the case of a continuing offence, of £5 for every day during which the default continues.

Presented by Citibank, N.A. *Presentor's Reference* L518

336 Strand,

London WC2R 1JD

Oyez Publishing Limited, Oyez House, 237 Long Lane, London SE1 4PU, a subsidiary of The Solicitors' Law Stationery Society, Limited. ★★★ F21284.21-5-73

COMPANIES REGISTRATION
12 MAY 1976

2

Return of Alteration in the Names or Addresses of the persons resident in Great Britain authorised to accept on behalf of the Company service of process and any Notices required to be served on Citibank, N.A.

a Company incorporated in(a) New York and which has established a place of business in Great Britain at 336 Strand, London WC2R 1HB

PARTICULARS OF ALTERATION.

Roy Hobbs Dickerson, SVP (a citizen of the United States of America) of
Citibank House,
336 Strand,
London WC2R 1HB
ceased on the 12th day of April, 1976 to be authorised to accept on behalf of the company service of process and notices required to be served on it.

ROBERT D. BAILEY (a citizen of the United States of America) of
Citibank House,
336 Strand,
London WC2R 1HB

AND

DENIS MARTIN EICHENBERGER (a citizen of the Confederation of Switzerland) of
Citibank House,
336 Strand,
London WC2R 1HB

have since that time been so authorised.

Note.—This margin is reserved for binding and must not be written across

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act 1948 or of some other person in Great Britain duly authorised by the Company.

Robert D. Bailey

Denis M. Eichenberger

Dated the 12th day of April 19 76

(a) Country of origin.

NOTE.—The full Names, Addresses and Descriptions should be given of the persons appointed in place of others on the Register. Where the alteration is only in the Address of a person already on the Register the Name and Description and new Address should be given

Number of Company F. 1835 146

Form No. 4F
(No registration fee payable.)

THE COMPANIES ACTS 1948 to 1967

Return of Alteration in the Charter, Statutes, Memorandum or Articles of Association or other Instrument constituting or defining the Constitution of an Oversea Company

Pursuant to section 400 of the Companies Act 1948

Insert the Name of the Company: CITIBANK, N.A.

NOTE.—This Return must be delivered to the Registrar of Companies within twenty-one days of making such alteration or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If any Company fails to deliver this Return within the prescribed time the Company and every officer or agent of the Company is liable to a fine not exceeding £50, or, in case of a continuing offence, £5 for every day during which the default continues.

Presented by

Citibank, N.A.
336 Strand,
London WC2R 1HB

Presentor's Reference L569

Oyez Publishing Limited, Oyez House, 237 Long Lane, London SE1 4PU, a subsidiary of The Solicitors' Law Stationery Society, Limited.

F21719.30-11-73

Companies F4

COMPANIES REGISTRATION 15 SEP 1976 43 OFFICE 43

COMPANIES REGISTRATION P.O. 14 SEP 1976 32 OFFICE 32

RETURN of Alteration in the (a) Articles of Association of

a company incorporated in (b) the United States of America

and which has established a place of business in Great Britain at 336 Strand, London WC2r 1HB/1/3 Donegal Square, South, Belfast, Northern Ireland.

(a) Certified Copy of Alteration or Certified Copy of new Deed, if one has been executed, accompany this Return and

(a) "Charter," "Statutes," "Memorandum or Articles of Association" or other instrument as the case may be.

(b) Country of Origin.

(c) The Copy and Translation (if any) must be certified in the manner prescribed in paragraphs 2 and 5 of the Companies (Forms) Order 1949 (as amended). These paragraphs are reproduced on the back of this form.

Note.—This margin is reserved for binding and must not be written across

Note.—This margin is reserved for binding and must not be written across

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March, 19

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3

constituting ~~xxxxxxxxxxxxxxxxxxxxxxxx~~ amendment to Article First regarding the change of name and title to Citibank, N.A. as at 1st March, 1976.

and Certified Translation of Alteration or Deed, if not in English language, must be shortly referred to here.

Note.—This margin is reserved for binding and must not be written across

Signatures of the persons authorised under section 407 (1) (c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the Company.

Ernst M. Eichenberger
Manager

Dated the 20 SEP 1976 day of 19

No. 76/4851-127

United States of America

DEPARTMENT OF STATE

To [illegible] whom these presents shall come, Greeting:

[illegible] That the document hereunto annexed is under the seal of the -------Department of the Treasury-----, Un[illegible] of America, and that such seal is entitled to full faith and cr[illegible]

In testimony whereof, I, Henry A. Kissinger, Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this fifth day of April, 1976.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Henry A. Kissinger
Secretary of State.

By Francis J. Fillius
Authentication Officer, Department of State.

[illegible]s Cer[illegible] not valid if it is removed or altered in any way whatsoever.

U.S. GOVERNMENT PRINTING OFFICE: 1972—O-461-175

INDISTINCT ORIGINAL

148

United States of America

DEPARTMENT OF THE TREASURY
WASHINGTON

7604851-127

Date: March 24, 1976

TO WHOM THESE PRESENTS SHALL COME; GREETING:

I CERTIFY that the annexed certification, dated March 24, 1976, hereto attached, was signed by James E. Smith, who was duly appointed and now is Comptroller of the Currency and bears his genuine signature, and that the seal of the Office of the Comptroller of the Currency affixed thereto in attestation thereof is the official seal of the Comptroller of the Currency.

[illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Department of the Treasury to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Irving M. Nelson, Jr.
Chief, Document Distribution Section
Document Management Branch
Office of Administrative Programs
Department of the Treasury

DEPARTMENT OF THE TREASURY—FORM 2247 (REV. 8-71)

INDISTINCT ORIGINAL

No. 76/4851-127

United States of America

DEPARTMENT OF STATE

To [illegible] whom these presents shall come, Greeting:

[illegible] That the document hereunto annexed is under the seal of the -------Department of the Treasury-----, Un[illegible] of America, and that such seal is entitled to full faith and cr[illegible]

In testimony whereof, I, Henry A. Kissinger, Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this fifth day of April, 1976.

*FOR THE CONTENTS OF THE ANNEXED DOCUMENT THE DEPARTMENT ASSUMES NO RESPONSIBILITY

Henry A. Kissinger
Secretary of State.

By Francis J. Tillius
Authentication Officer, Department of State.

[illegible] is Cer[illegible] not valid if it is removed or altered in any way whatsoever.

U.S. GOVERNMENT PRINTING OFFICE: 1972—O-461-178

INDISTINCT ORIGINAL

Seen for the attestation of the signature
and seal of FRANCIS J. FILLIUS
AUTHENTICATION OFFICER
DEPARTMENT OF STATE
This 24TH day of MAY , 1976
at the British Embassy (Consular Section)
Washington, D.C.

British Pro Consul

The British Embassy accepts no responsibility
for the contents of this document.

United States of America

DEPARTMENT OF THE TREASURY
WASHINGTON

7601851-127

Date: March 24, 1976

TO WHOM THESE PRESENTS SHALL COME, GREETING:

that the annexed certification, dated March 24, 1976, hereto attached, [illegible]ned by James E. Smith, who was duly appointed and now is Comptroller o[illegible]currency and bears his genuine signature, and that the seal of the O[illegible]f the Comptroller of the Currency affixed thereto in attestation t[illegible]is the official seal of the Comptroller of the Currency.

[illegible] Department.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of the Department of the Treasury to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

Irving J. Nelson, Jr.
Chief, Document Distribution Section
Document Management Branch
Office of Administrative Programs
Department of the Treasury

DEPARTMENT OF THE TREASURY—FORM 2247 (REV. 8-71)

INDISTINCT ORIGINAL

149

CERTIFICATE

TREASURY DEPARTMENT
Office of
Comptroller of the Currency } ss:

I, James E. Smith, Comptroller of the Currency, do hereby certify that the document hereto attached is a true and complete copy, as recorded in this office, of the currently effective Articles of Association of Chase Manhattan Bank, N.A., New York, New York.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the seal of Office of the Comptroller of the Currency to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this 24th day of March, A. D. 1976.

James E. Smith
Comptroller of the Currency

INDISTINCT ORIGINAL

CITIBANK

ARTICLES OF ASSOCIATION

AS AMENDED THROUGH MARCH 1, 1976

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED THROUGH MARCH 1, 1976

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the [illegible] and employees of the Association; to fix the salaries to be paid to [illegible] to dismiss them; to require bonds from them and to fix the penalty [illegible] to regulate the manner in which any increase of the capital of the [illegible] shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

I, Carl W. Desch, Senior Vice President and Cashier of Citibank, N.A., a national banking association, and Secretary of its board of Directors, hereby certify that the foregoing is a true and complete copy of the Articles of Association of said Bank.

Attest: [signature] C. W. Desch

State of New York
County of New York } PATRICK A. WALSH
Notary Public, State of New York
Subscribed and [illegible] before me 11:11:15 MARCH 2, 1976
[illegible] in Kings County
[illegible] in New York County
Expires March 30, 1977

[signature] A. Walsh

DAMAGED DOCUMENT

F1835/150

CITIBANK

Citibank, N.A.
P.O. Box 79
336 Strand
London WC2R
Telephone: 01-240 1222

8th March, 1979

Companies Registration Office,
Crown Way
Maindy,
Cardiff,
CS4 3UZ

Dear Sirs,

Re: Citibank, N.A. Leeds Representative Office
Company No. F1835 - Our Ref: L1500(D)

We write to advise you that, with effect from 31st March, 1979, we propose to close our Representative Office at 1st Floor, Yorkshire House, East Parade, Leeds 1.

We request you kindly to take note of the foregoing.

Yours faithfully,

Denis M. Eichenberger
Resident Vice President
Legal Department

COMPANIES REGISTRATION OFFICE 9 MAR 1979 17

Incorporated with limited liability under the National Bank Act of the United States of America
Established in Chicago, New York, U.S.A.

No. of Company F. 1835 \ 152

Form No. 4F
(No registration fee payable)

Return of alteration in the charter, statutes, etc.

of an oversea company

Pursuant to Section 409 of the Companies Act 1948

Name of Company CITIBANK, N.A.

Return of alteration in the *(see note 1)* Articles of Association and By-Laws

constituting or defining the constitution of the above-named company, a company incorporated in *(see note 2)*

U.S.A. and which has established a place of business in Great Britain at 336 Strand, London WC2R 1HB; 1/3 Donegal Square South, Belfast, Northern Ireland; Abbey House, 74/76 Mosley Street, Manchester; 4 St. Colme Street, Edinburgh, Scotland

A certified copy of alteration or a certified copy of the new deed, if one has been executed, and a certified translation of alteration or deed if not in the English language *(see note 3)* must accompany this return and be briefly referred to below:- The amendments are as follows:-

Articles of Association - First and Fifth.

By-Laws Article II - Section 9 Article IV - Section 15
" IV - Section 7 " IX - Corporate Seal
" IV - Section 14

Signatures of the persons authorised under Section 407(1)(c) of the Companies Act 1948 or of some other person in Great Britain duly authorised by the Company.

Denis M. Eichenberger

Date 11th May, 1979

Notes:
1. Insert "Charter", "Statutes", "Memorandum or Articles of Association" or other instrument as the case may be
2. Insert county of origin
3. The copy and translation (if any) must be certified as prescribed in paragraphs 2 and 5 of the Companies (Forms) Order 1949 (see overleaf)
4. This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the Company is incorporated

Presented by: Citibank, N.A.
366 Strand, London WC2R 1HB

COMPANIES REGISTRATION OFFICE 14 MAY 1979

Presentor's reference: L1512

Margin reserved for binding

F1835
151

CITIBANK

ARTICLES OF ASSOCIATION

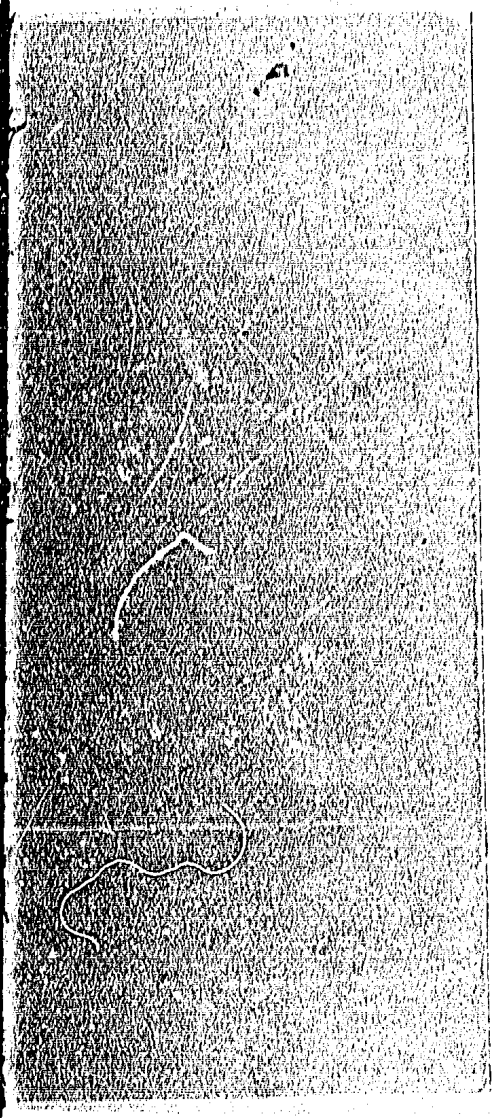
AS AMENDED THROUGH

MARCH 1, 1976

BY-LAWS

AS AMENDED

EFFECTIVE DECEMBER 20, 1977



CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED THROUGH MARCH 1, 1976

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $500,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs

[Page One

of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided*, however, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

CITIBANK, N.A.

BY-LAWS

ARTICLE I

Meetings of Shareholders

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of March of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of

Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Cashier a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

DIRECTORS

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number of shareholders, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

SECTION 3. *Organization Meeting.* The Cashier, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

SECTION 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, at 10:30 o'clock A.M. on the third Tuesday of each calendar month at the Head Office of the Association, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence the President, or in the absence of both the Chairman of the Executive Committee; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Cashier.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation shall be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall be composed of the Chairman, the President, and the Chairman of the Executive Committee, who shall be ex-officio members, and six additional Directors, not officers or employees of the Bank or any affiliate of the Bank, appointed by the Board, who shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings of the Executive Committee shall be held upon call of

[*Page Five*

the Chairman, or in his absence the President, or in the absence of both, the Chairman of the Executive Committee. A majority of the members of the Executive Committee, including at least one ex-officio member, shall constitute a quorum at any meeting of the Committee, and the vote of a majority of the members present at any such meeting at which a quorum is present shall suffice for the transaction of business. Notice of any meeting shall be given to each director in the manner provided in Section 6 of Article II for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors.

SECTION 3. *Examining Committee.* There shall be an Examining Committee composed of not less than five members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Comptroller of the Association and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors shall appoint one of its members to be President of the Association. The President shall be the Chief Administrative Officer of the Association, shall have general executive powers as well as the specific powers conferred by these By-Laws, and shall have any and all other powers and duties pertaining by law, regulation, or practice to the office of President. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 3. *Chairman of the Executive Committee.* The Board of Directors may appoint one of its members to be Chairman of the Executive Committee. He shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman and the President, the Chairman of the Executive Committee shall exercise their powers and duties to the extent permitted by law and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 4. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman, the President, and the Chairman of the Executive Committee, their powers and duties shall be exercised, to the extent permitted by law, by the Vice Chairman, or if there be more than one Vice Chairman present, by the one of them who is senior in term of service with the Bank. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 5. *Executive Vice Presidents.* The Board of Directors may appoint one or more Executive Vice Presidents of the Association, each of whom shall have supervision of such major group of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors or the Chairman. Each Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 6. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, and President, or the Chairman of the Executive Committee.

SECTION 7. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, and President, or the Chairman of the Executive Comittee.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 9. *Manager Overseas Division.* The Board of Directors may appoint a Manager Overseas Division who, subject to the authority of the President and the officer having supervision of that major group of the Association of which the foreign branches may be a part, shall have supervision and control of all foreign branches of the Association. He shall have general executive powers with respect to said branches, and shall also have such further powers and duties with respect to them and to their affairs as may from time to time be assigned to him by the Board of Directors, the Chair-

man, the President, or the Chairman of the Executive Committee.

SECTION 10. *Cashier.* The Board of Directors shall appoint a Cashier, who shall be the Secretary of the Board and of the Executive Committee, and shall keep accurate minutes of their meetings. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Cashier, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 11. *Comptroller.* The Board of Directors may appoint a Comptroller, who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers conferred by these By-Laws and such further powers and duties as from time to time may be conferred upon, or assigned to, him by the Board of Directors.

SECTION 12. *Deputy Manager Overseas Division.* The Board of Directors may appoint a Deputy Manager Overseas Division who, in the absence of the Manager Overseas Division, shall have supervision and control of all foreign branches of the Association, subject to the authority of the President and the officer having supervision of that major group of the Association of which the foreign branches may be a part. He shall have general executive powers with respect to said branches and shall also have such further powers and duties with respect to them and to their affairs as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 13. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. Each Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 14. *Deputy Comptrollers.* The Board of Directors may appoint one or more Deputy Comptrollers. He may exercise such of the powers of the Comptroller as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Comptroller or by the Board of Directors.

SECTION 15. *Other Officers.* The Board of Directors may appoint one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers and attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee may appoint, dismiss, and fix the salaries to be paid any such officers and attorneys-in-fact other than officers in the Comptroller's Division; and like authority may be exercised by such officer having supervision of a major group, department, or unit of the Association as

may be specified by the Board of Directors, with respect to attorneys-in-fact and such officers, if assigned to such group, department or unit. The officers and attorneys-in-fact so appointed shall respectively exercise such powers and perform such duties as pertain to their several offices or as may, from time to time, be conferred upon them by Power of Attorney, or assigned to them by the Board of Directors, the Chairman, the President, the Chairman of the Executive Committee, or the appointing officer.

SECTION 16. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the President, or any other officer of the Association authorized by him, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

SECTION 17. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the domestic branches shall be under the immediate supervision and control of the President or such officer as the Board or the Chairman may designate and subject to such rules and regulations as the President or such officer shall promulgate from time to time; and the President or such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the foreign branches shall be under the immediate supervision and control of the President or such officer as the Board or the Chairman may designate and subject to such rules and regulations as the President or such officer shall promulgate from time to time; and the President or such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary

to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of the President or such other officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. The President, or such other officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

FIDUCIARY POWERS

SECTION 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major group of the Association as established and defined from time to time

by the Board of Directors or the Chairman, and each such department may be divided into subdivisions having such titles as the Chairman may from time to time designate. All the books and records of such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major group of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the President or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman,

the President, the Chairman of the Executive Committee, any Vice Chairman, any Executive Vice President, any Senior Vice President, the Cashier, any Vice President, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Cashier, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

STOCK AND STOCK CERTIFICATES

SECTION 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

SECTION 2. *Stock Certificates.* Certificates of stock shall bear the signature of the President (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Cashier, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Cashier or by any Assistant Cashier or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Cashier or officer designated as an Authorized Officer, and in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

SECTION 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any

matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

Corporate Seal

The Cashier or any Assistant Cashier, or other officer thereunto designated by the Cashier, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

ARTICLE X

Miscellaneous Provisions

Section 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

Section 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, or the Chairman of the Executive Committee, or any Vice Chairman, or any Executive Vice President, or the Chairman Credit Policy Committee, or the Chairman Economic Policy Committee, or any Senior Vice President, or the Manager Overseas Division, or the Cashier, or the Comptroller, or the Deputy Manager Overseas Division, or any Vice President, or any Deputy Comptroller, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

Section 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Cashier or other officer appointed to act as Secretary of the meeting.

Section 4. *Banking Hours.* The Head Office of the Association shall be open for business from 10 o'clock, A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE XI

By-Laws

Section 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

I, Carl W. Desch, certify that: (1) I am the duly constituted Senior Vice President and Cashier of CITIBANK, N.A. and Secretary of its Board of Directors, and as such officer am the official custodian of its records; (2) the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

In Testimony Whereof, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this ___ day of _____, 19__.

_____

Senior Vice President and Cashier

Witnesses:

_____

_____

United States of America,
State of New York,
County of New York. } ss.:

On this __ day of _____, 19__, before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Carl W. Desch, domiciled in Garden City, New York, to me known, and known to me to be a Senior Vice President and Cashier of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Carl W. Desch is duly authorized to affix same to said certificate.

_____

Form No. 6F
(No filing fee payable)

Number of Company F 1835 \ 152

THE COMPANIES ACTS 1948 to 1976

RETURN of ALTERATION in the NAMES or ADDRESSES of the persons resident in Great Britain authorised to accept service on behalf of an Overseas Company.

Pursuant to section 400 (1) of the Companies Act 1948.

Insert the Name of the Company CITIBANK, N.A.

~~LIMITED.~~

NOTE.—This return must be delivered to the Registrar within *twenty-one days* of making such alterations or twenty-one days after the date on which notice thereof could, in due course of post, and if despatched with due diligence, have been received in Great Britain.

If the Company fails to deliver this return within the prescribed time the Company and every officer and agent of the Company is liable to a fine not exceeding £50, or, in the case of a continuing offence, of £5 for every day during which the default continues.

Presented by Citibank, N.A. *Presenter's Reference* L1512

336 Strand

London WC2R 1HB

17 [illegible] 1979

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Companies Fo

P.T.O.

Return of Alteration in the Names or Addresses of the persons resident in Great Britain authorised to accept on behalf of the Company service of process and any Notices required to be served on Citibank, N.A. a Company incorporated in(a) New York and which has established a place of business in Great Britain at 336 Strand, London WC2R 1HB

PARTICULARS OF ALTERATION.

Robert D. Bailey (a citizen of the United States of America)
of
Citibank House
336 Strand,
London WC2R 1HB
is with effect from today replaced by:-

DAVID VAN PELT (a citizen of the United States of America)
of
Citibank House,
336 Strand,
London WC2R 1HB

AND there is no change in respect of:-
DENIS MARTIN EICHENBERGER (a citizen of the Confederation of Switzerland)
of
Citibank House,
336 Strand
London WC2R 1HB

who are now authorised to accept on behalf of the company service of process and notices required to be served on it.

Signatures of the persons authorised under Section 407 (1) (c) of the Companies Act 1948 or of some other person in Great Britain duly authorised by the Company.

David Van Pelt

David Van Pelt

Denis M. Eichenberger

Dated the 13th day of December 1979

(a) Country of origin.

NOTE.—The full Names, Addresses and Descriptions should be given of the persons appointed in place of others on the Register. Where the alteration is only in the Address of a person already on the Register the Name and Description and new Address should be given

Note.—This margin is reserved for binding and must not be written across

Form No. F4

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the charter, statutes, etc., of an oversea company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

F4

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use: 1515 Company number: F1835

Name of Company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* U.S.A.

Place of business in Great Britain established at

336 Strand, London WC2; 1/3 Donegal Square South, Belfast, Northern Ireland; Abbey House, 74/76 Mosley Street, Manchester; 4 St. Colme Street, Edinburgh, Scotland; The Rotunda, New Street, Birmingham.

†Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be. (See notes overleaf)

Return of alteration in the† Articles of Association and By-Laws

constituting or defining the constitution of the above-named company

Note

A certified copy of the alteration or a certified copy of the new deed, if one has been executed, and a certified translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified copy of Articles of Association as amended through February 10, 1981 and By-Laws as amended effective February 17, 1981.

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person for the time being resident in Great Britain duly authorised by the company

Denis M. Eichenberger
Vice President

Date 22nd April, 1981

Presentor's name, address and reference (if any):

Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512.

For official use
New Companies Section

Post room

8-MAY 81

ANTHONY BURGESS, WAUGH & CO.

A. J. BURGESS, M.A. (OXON.)
J. MALCOLM WAUGH
J. G. WATKINSON, LL.B.

TELEPHONES 01-623 1357
01-623 9477

TELEX 883006 MURLYN

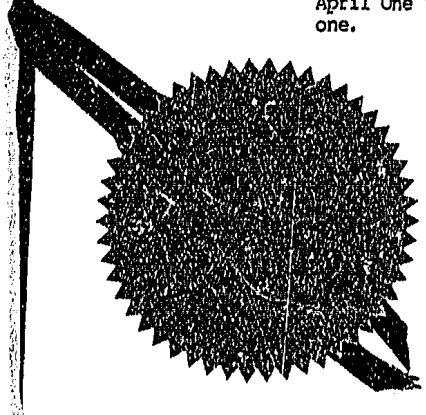
CABLES
MURLYNOT LONDON EC3

NOTARIES PUBLIC
COMMISSIONERS FOR OATHS

2/3 PHILPOT LANE
LONDON EC3M 8AQ

TO ALL TO WHOM these presents shall come I ANTHONY JACK BURGESS of the City of London Notary Public by Royal Authority duly admitted and sworn DO HEREBY CERTIFY the genuineness of the signature of DENIS M. EICHENBERGER at foot of the Certificate appearing on page 2 of the annexed copy Articles of Association and By-laws of CITIBANK N. A. of New York, United States of America, such signature having been this day subscribed in my presence by the said Denis M. Eichenberger a Vice President of the said CITIBANK N.A.

IN FAITH AND TESTIMONY whereof I the said Notary have subscribed my name and set and affixed my seal of Office at London aforesaid this fifteenth day of April One thousand nine hundred and eighty one.



ARTICLES OF ASSOCIATION

AS AMENDED THROUGH

FEBRUARY 10, 1981

BY-LAWS

AS AMENDED

EFFECTIVE FEBRUARY 17, 1981

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED THROUGH FEBRUARY 10, 1981

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be President of this Association who shall hold office (unless he shall become disqualified or be sooner removed by a two-thirds vote of the members of the Board) for the term for which he was elected a director. The Board of Directors may appoint one of its members to be Chairman of the Board, who shall perform such duties as may be designated by it. The Board of Directors shall have power to appoint one or more Vice-Presidents; and to appoint a Cashier and such other officers and employees as may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs

of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten per-centum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

Certified a true copy.

Denis M. Eichenberger
Vice President

CITIBANK, N.A.

BY-LAWS

ARTICLE I

Meetings of Shareholders

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of March of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of

Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

DIRECTORS

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and

affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

SECTION 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 4. Regular Meetings. A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence the President, or in the absence of both the Chairman of the Executive Committee; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation shall

be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall be composed of the Chairman, the President, and the Chairman of the Executive Committee, who shall be ex-officio members, and six additional Directors, not officers or employees of the Bank or any affiliate of the Bank, appointed by the Board, who shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings of the Executive Committee shall be held upon call of

the Chairman, or in his absence the President, or in the absence of both, the Chairman of the Executive Committee. A majority of the members of the Executive Committee, including at least one ex-officio member, shall constitute a quorum at any meeting of the Committee, and the vote of a majority of the members present at any such meeting at which a quorum is present shall suffice for the transaction of business. Notice of any meeting shall be given to each director in the manner provided in Section 6 of Article II for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors.

SECTION 3. *Examining Committee.* There shall be an Examining Committee composed of not less than five members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors shall appoint one of its members to be President of the Association. The President shall be the Chief Administrative Officer of the Association, shall have general executive powers as well as the specific powers conferred by these By-Laws, and shall have any and all other powers and duties pertaining by law, regulation, or practice to the office of President. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 3. *Chairman of the Executive Committee.* The Board of Directors may appoint one of its members to be Chairman of the Executive Committee. He shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman and the President, the Chairman of the Executive Committee shall exercise their powers and duties to the extent permitted by law and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 4. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman, the President, and the Chairman of the Executive Committee, their powers and duties shall be exercised, to the extent permitted by law, by the Vice Chairman, or if there be more than one Vice Chairman present, by the one of them who is senior in term of service with the Bank. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 5. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association, each of whom shall exercise such powers and perform such duties as may be prescribed or further prescribed from time to time by the Board of Directors or the Chairman. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

SECTION 6. *Executive Vice Presidents.* The Board of Directors may appoint one or more Executive Vice Presidents of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors or the Chairman. Each Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 7. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 8. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Comittee.

SECTION 9. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 10. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meet-

ings of the Board of Directors and the Executive Committtee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 11. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors.

Section 12. Vice Presidents. The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to senior officers down through the level of Executive Vice President and may, upon designation by the senior officers down through the level of Senior Executive Vice President, delegate the Senior Vice Presidents reporting directly to these senior officers, authority to appoint, dismiss and fix salaries to be paid Vice Presidents within the respective senior officers' areas of supervision. Each Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such furher powers and duties as may from tine to tine be ass'gned to him by the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee.

SECTION 13. DEPUTY CHIEF AUDITORS. The Board of Directors may appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Chief Auditor or by the Board of Directors.

SECTION 14. *Other Officers.* The Board of Directors may appoint one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers and attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, or the Chairman of the Executive Committee may appoint, dismiss, and fix the salaries to be paid any such officers and attorneys-in-fact other than officers in the Chief Auditor's Division; and like authority may be exercised by such officer having supervision of a major administrative unit, group, or department of the Association as may be specified by the Board of Directors, with respect to attorneys-in-fact and such officers, if assigned to such administrative unit, group, or department. The officers and attorneys-in-fact so appointed shall respectively exercise such powers and perform such duties as pertain to their several offices or as may, from time to time, be conferred upon them by Power of Attorney, or assigned to them by the Board of Directors, the Chairman, the President, the Chairman of the Executive Committee, or the appointing officer.

SECTION 15. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the President, or any other officer of the Associa-

tion authorized by him, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties a[illegible] the conditions of their employment, and from time to time fix their compensation.

SECTION 16. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the domestic branches shall be under the immediate supervision and control of the President or such officer as the Board or the Chairman may designate and subject to such rules and regulations as the President or such officer shall promulgate from time to time; and the President or such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America,

subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the foreign branches shall be under the immediate supervision and control of the President or such officer as the Board or the Chairman may designate and subject to such rules and regulations as the President or such officer shall promulgate from time to time; and the President or such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of the President or such other officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. The President, or such other officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

Fiduciary Powers

Section 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors or the Chairman, and each such department may be divided into subdivisions having such titles as the Chairman may from time to time designate. All the books and records of such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

Section 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the President or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

Section 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman, the President, the Chairman of the Executive Committee, any Vice Chairman, any Senior Executive Vice President, any Executive Vice President, any Senior Vice President, the Secretary, any Vice President, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

Section 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where

the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

Stock and Stock Certificates

Section 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

Section 2. *Stock Certificates.* Certificates of stock shall bear the signature of the President (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented

thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

Section 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

Corporate Seal

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

ARTICLE X

Miscellaneous Provisions

Section 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

Section 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, or the Chairman of the Executive Committee, or any Vice Chairman, or any Senior Executive Vice President, or any Executive Vice President, or the Chairman Credit Policy Committee, or the Chairman Economic Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

Section 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

Section 4. *Banking Hours.* The Head Office of the Association shall be open for business from 10 o'clock, A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE XI

By-Laws

Section 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

Section 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of Citibank, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

In Testimony Whereof, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this ____ day of _____, 19__.

_____

Secretary

Witnesses:

_____

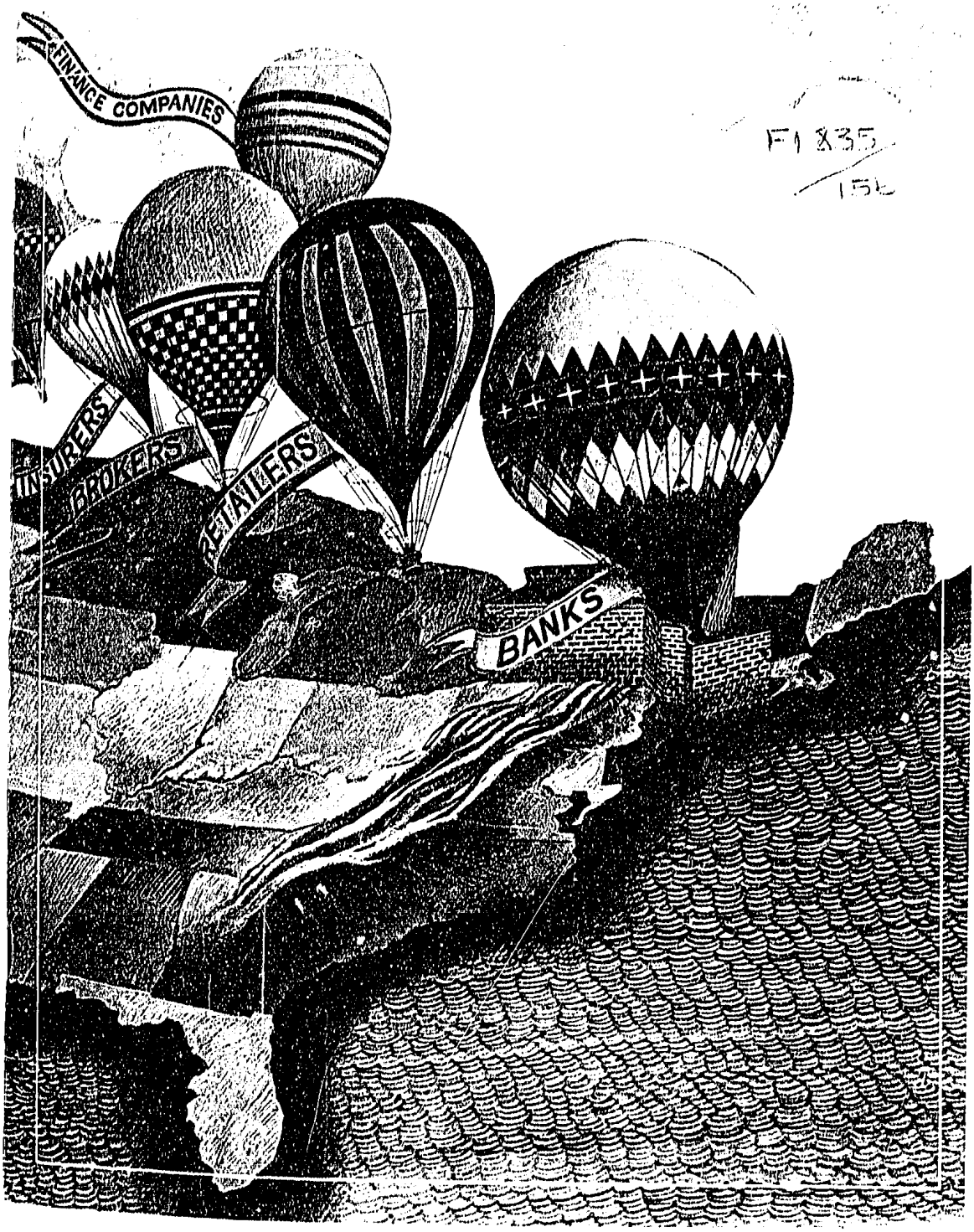
_____

[Page Nineteen

UNITED STATES OF AMERICA,)
STATE OF NEW YORK,) ss.:
COUNTY OF NEW YORK,)

On this __ day of _____, 19__, before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Stephen C. Eyre, domiciled in Locust Valley, New York, to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Stephen C. Eyre is duly authorized to affix same to said certificate.

_____
Notary Public



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ABOUT THE COVER

This year's Citicorp Annual Report cover depicts the winds of change. It illustrates the ascent into competitive consumer financial services of retailers, brokers, insurance companies, thrift institutions, foreign bar' -, credit unions and manufacturers—all offering conventional bank products throughout the United States—while banks remain anchored behind obsolete walls in their home states. But as the illustration shows, the walls imprisoning banks are beginning to crumble and our balloon is beginning to rise. It is our expectation that increasingly banks will be allowed to compete for the nation's financial services' business on an equal footing with other intermediaries. The text of the Annual Report will describe this process in more detail.

CITICORP AT A GLANCE

Some key measures of Citicorp's performance during 1980, as well as a historical perspective on the Corporation's financial accomplishments in the past decade, are presented in the table and charts on this and the facing page. Citicorp at a Glance is intended only as a preface, rather than a substitute for the fuller discussion of the Corporation's performance and the detailed financial statements in this Annual Report and Form 10-K.

Summary of 1980

Citicorp's income before securities transactions per share in 1980 was $4.08, a 6% decrease from 1979.

The main reason for the decline was the unprecedented volatility and height of dollar interest rates in 1980; record high rates increased funding costs and adversely affected interest margins on that portion of loans and investment securities that earned fixed rates of interest. As a result, while volumes increased, net interest revenues were up only marginally. The legislative and regulatory relief we sought to remove pricing constraints on fixed rate consumer credit card and installment loans in the United States was granted during 1980, but too late in the year to benefit 1980 results.

Other operating revenue increased significantly due to improved fee income, strong trading account profits, higher foreign exchange profits and commissions, increases in earnings from affiliates and the sale of residual values of leased equipment. These favorable increases were offset by higher operating expenses reflecting the generally higher costs of operating in an inflationary environment and a worldwide increase of some 2,000 employees, principally to staff our new businesses.

Year-to-Year Comparisons

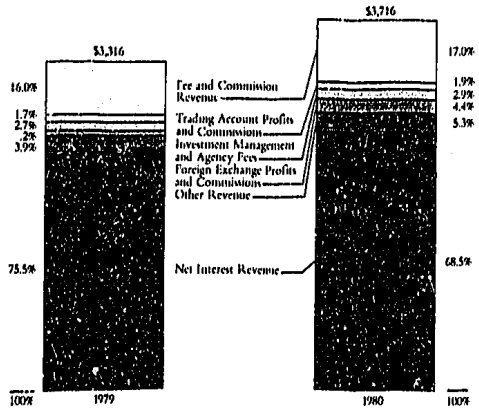
Net interest revenue continues to be the largest source of total revenue for Citicorp, representing 68% for 1980 and 75% for 1979. The decline in the proportion of revenues contributed by this key revenue line is due to lower interest margins. All other revenue categories contributed larger portions of total revenues. Non-interest related expenses consumed 86% of total revenue in 1980 and 84% for 1979, with salaries and staff benefits expense representing 35% for both 1979 and 1980. Income Before

The Year in Brief

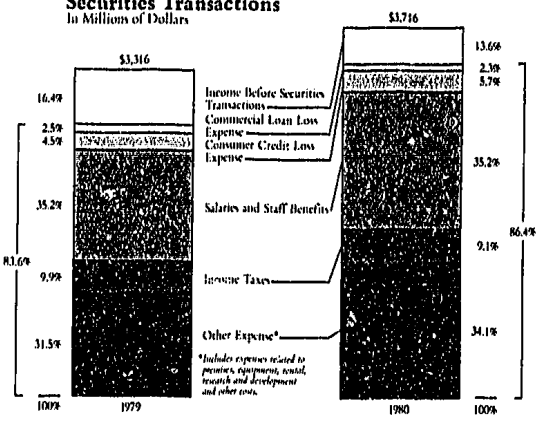
In Millions Except Per Share Amounts	1980	1979	Change
Income Before Securities Transactions	$ 507	$ 544	(7%)
Earnings Per Share	4.08	4.36	(6%)
Dividends Declared Per Share	1.42	1.30	9%
Common Stockholders' Equity Per Share	31.73	29.04	9%
Total Assets	114,920	106,371	8%
Total Deposits	71,771	70,291	2%
Commercial Loans, Net	54,251	49,189	10%
Consumer Loans, Net	15,664	13,348	17%
Common Stockholders' Equity	3,891	3,598	8%
Total Capital Funds*	6,502	5,866	11%

**Capital Funds include Common Stockholders' Equity, Preferred Stock, Convertible Notes and Long-Term Debt with original maturities of 15 years or more.*

Sources of Revenue
In Millions of Dollars



Expenses and Income Before Securities Transactions
In Millions of Dollars



Securities Transactions was 14% of total revenues in 1980, down from 16% in 1979. Stated alternatively, 86 cents of every revenue dollar goes to cover expenses and 14 cents to profit, used for the payment of dividends and for reinvestment in your company.

Ten-Year Highlights

These charts present a ten-year perspective on the growth of your corporation. Income Before Securities Transactions per share has more than tripled in the last ten years, from $1.33 to $4.08. While earnings declined in 1980, the year's earnings per share were the second best in our history. Cash dividends have increased every year with the exception of 1972, when government restrictions were in place. Citicorp's dividend growth has exceeded the rate of inflation over this ten-year period and, in terms of the purchasing power of the dollar, dividends have increased 6%. Of Citicorp's 1980 Income Before Securities Transactions, 35% (or $1.42 per share) was paid to our stockholders, while the remaining 65% was reinvested in your corporation. Total capital funds now stand at $6.5 billion, up four fold from the level of ten years ago. Common stockholders' equity during that time tripled from $1.3 billion to $3.9 billion. Return on average stockholders' equity was 13.5% in 1980 or 13.5 cents earned for every $1 of stockholder investment.

People

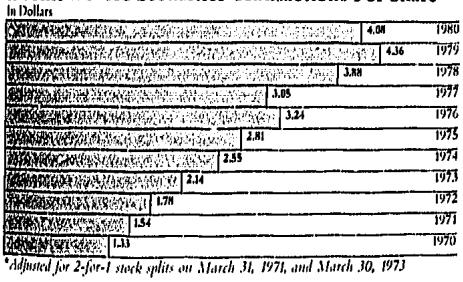
Stockholders	66,000
Staff	
Domestic	26,800
Overseas	26,900
Total	53,700

Offices

United States (796 offices in 40 states and the District of Columbia)	
Citibank, N.A., branches	281
Citibank, N.A., subsidiaries	72
Citibank (New York State), N.A., branches	33
Citicorp subsidiaries	410
Overseas (1,300 offices in 92 countries)	
Citibank branches and representative offices	216
Banking subsidiaries	351
Banking affiliates	287
Other financial affiliates and subsidiaries	446
Total Domestic and Overseas	2,096

Income Before Securities Transactions Per Share*

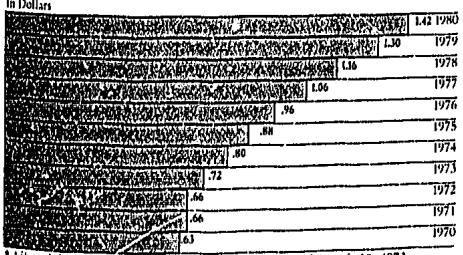
In Dollars



Adjusted for 2-for-1 stock splits on March 31, 1971, and March 30, 1973

Dividends Declared Per Share*

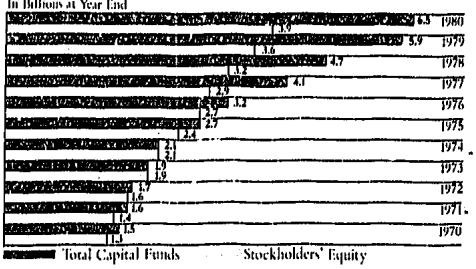
In Dollars



Adjusted for 2-for-1 stock splits on March 31, 1971, and March 30, 1973

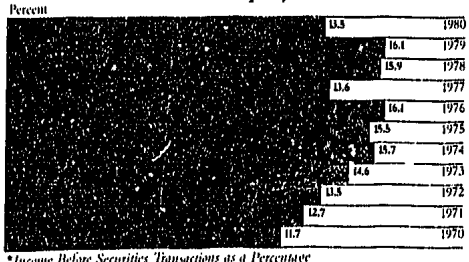
Total Capital Funds and Stockholders' Equity

In Billions at Year End



Return on Stockholders' Equity*

Percent



Income Before Securities Transactions as a Percentage of Average Stockholders' Equity

TO CITICORP INVESTORS

Citicorp is continuing steadily along the track of an agreed upon long-term Strategic Plan—a Plan outlined in great detail in last year's Annual Report—designed to maintain Citicorp as a profitable, growing, international institution, in a time of unprecedented change in the financial environment. We paid a short-term price for our dedication to our long-term goals, and the Corporation ended 1980 with earnings of $507 million, a decline in earnings per share of 6%. We also ended the year with much to be optimistic about because of the strong performance of many of our businesses and the removal of some of the regulatory and legislative constraints which have long impaired the profitability of several Citicorp activities.

For several years we have noted in our Annual Report that the results of our business activities in the United States were unsatisfactory. We sought to find ways through legislative and regulatory reform, in addition to good business planning, to compete profitably in our home market. The cover of our Annual Report this year reflects our view that 1980 was the turning point when banks in the United States began joining their non-bank competitors in the fresh air of free competition. It was a year that saw unmistakable fissures in the long-standing legal and regulatory barriers to free market competition in the financial services industry. Citicorp has played a significant role in bringing about these developments.

FINANCIAL RESULTS

Key financial results of the Corporation are summarized in "Citicorp at a Glance" on the previous pages and analyzed in detail in subsequent sections of this report.

The operating environment for financial institutions in 1980 was characterized by continuing economic uncertainty and a volatility and height of domestic dollar interest rates unprecedented in the last 100 years. Since Citicorp's portfolio mix includes fixed rate loans and securities, some of which are financed by short-term funds, the increase in interest rates to record levels compressed our net interest margins and in turn caused a decline in our profitability. This decline was further influenced by the fact that the rate we could charge on a significant portion of our loans was constrained by outmoded usury laws. The legislative and regulatory relief we have sought for several years, to price these loans adequately, was at last granted, but came too late in the year to be reflected in 1980's earnings.

While the squeeze on net interest margins was sufficient to cause a decline in earnings, nearly all other activities of the institution produced very favorable results. Securities trading activities, foreign exchange trading income, fee revenues from a broadly diversified group of customers, earnings from our affiliates, and revenues from the sale of certain residual values of our large lease portfolios all reached record levels.

Citicorp's Institutional Banking business, which by itself would rank as one of the largest banks in the world, achieved levels of profitability, return on assets, and return on equity which compare favorably with the best of the major institutional lender banks in this country. Our commercial loan portfolio quality continued to improve with loan losses amounting to only .10% of average loans outstanding, the lowest level since 1969, at the same time non-performing loans declined to less than $800 million, from a peak of $2 billion four years ago.

Citicorp's Individual Banking business overseas achieved satisfactory levels of profitability, while our

Mr. Heath
Mr. Palmer
Mr. Spencer
Mr. Costanzo

domestic consumer business suffered losses and was the business most adversely impacted by the rapid rise in money market interest rates. It is also the business which will most benefit from the regulatory and legislative relief which was obtained by year-end. We have carefully reviewed our commitment to the consumer and determined that with the pricing relief now available, this is a business which Citicorp should continue to pursue; and, indeed, is a business that must be pursued, if we are to achieve our long-term corporate profit goals. Consumer savings are by far the largest source of savings in this country and in most other countries as well, and therefore represent a key funding source for any financial institution over time. It is our judgment that we can profitably tap that source by dealing directly with the consumer, in the more open competitive environment which is developing.

One of Citicorp's earlier goals was to become a truly international bank for our corporate customers. The implementation of that decision provided the Corporation with the momentum for its earnings growth in the two previous decades. Today, the need is similarly to continue to invest present resources in opportunities offering high potential for the future. In addition to consumer financial services, we have been steadily building our capabilities in investment and merchant banking, electronic banking in its many different configurations, and providing back office support services to other financial institutions. As these businesses grow and mature, they will also add profitable and expanding activities, actuarily dispersed in terms of geography, customers, and products, to complement our successful institutional banking effort.

THE REGULATORY ENVIRONMENT

During 1980, many regulatory and legislative constraints at last began to fall. For years, the domestic business of Citicorp has been operating under a form of wage and price control: Regulation Q controlled the price we could pay for depositors' money and New York usury laws limited the rate we could collect on a significant portion of our consumer loan portfolio. From the customers' point of view, in an inflationary environment, as depositors they were being penalized for being thrifty and as potential borrowers were being denied credit when the costs of extending credit exceeded the revenues received. During the past year, there has been remarkable progress on both fronts.

On the Federal level, Congress passed the Depository Institutions Deregulation and Monetary Decontrol Act, which took NOW accounts nationwide and began the process of phasing out Regulation Q over a 6-year period. The progress seems slow, but before the passage of the Act there was no progress at all. From the viewpoint of the consumer and from the standpoint of institutions lending to individuals, it would be far more beneficial to free interest rates to seek market levels by deposit maturity. Regulators could, for example, free rates on deposits having a maturity of three years, then roll that back to two years, then one year until consumers received market rates on savings deposits. This plan would let the system adjust over time and give consumers immediate benefits. The Federal Government also preempted state usury statutes on home mortgages giving us the opportunity to price this important product in line with market forces.

On the state level, the New York State Legislature liberalized the usury statute that had prevented us from charging our customers an interest rate commensurate with our own cost of funds. This action was preceded by

the passage of a bill in South Dakota (a state without usury ceilings), inviting Citicorp to establish a new national bank. Both the Comptroller of the Currency and the Federal Reserve Board subsequently approved this new bank, and Citibank (South Dakota), N.A. is now a fact. Because of the change in New York usury laws, new pricing on New York branch loans and on credit cards is now in effect and will slowly work its way through that $3 billion portfolio.

Other positive developments in the external environment are also worthy of mention. The Federal Reserve Board granted approval to expand our Edge Act network from five to thirteen branches. The Federal Reserve Board also approved, with some caveats, a domestic free zone for banking (called Domestic International Banking Facilities) which will enable U.S. banks to compete more effectively in the international financial markets with overseas money centers. The U.S. Supreme Court struck a blow against restrictive state banking laws; several states began consideration of reciprocal state banking laws; and one State, Delaware, has passed a bill to invite out-of-state banks to establish banking facilities without a reciprocity requirement.

As always, the success of any enterprise is a function of the quality, integrity, thoughtfulness, and talent of its people. Citicorp today employs over 53,000 people. Their efforts will allow us to achieve our mission of being the most competent, innovative, and profitable financial services business in the world.

After reviewing how we have positioned ourselves in the various marketplaces in the world, and the events of 1980, we believe that our franchise is stronger, more flexibly positioned, and closer to our ultimate goal than at any time in our history.

WALTER B. WRISTON
Chairman

WILLIAM I. SPENCER
President

EDWARD L. PALMER
Chairman of the
Executive Committee

G. A. COSTANZO
Vice Chairman

SENIOR MANAGEMENT

Walter B. Wriston, chairman and chief executive officer, is the top policy-making officer of Citicorp and Citibank. He joined the bank 35 years ago as a junior inspector, after receiving degrees from Wesleyan University and Tufts University, and after serving for brief periods as a State Department officer and as an Army officer during World War II. Before assuming his present position in 1970, Mr. Wriston, 61, rose through several banking positions, acquiring broad experience in both domestic and international lending and finance.

William I. Spencer, president and chief administrative officer, sets and monitors performance goals for all corporate activities, providing senior supervision for both line and staff departments. A native of Colorado, he joined the bank's Metropolitan Division as an assistant vice president in 1951 and has risen through the ranks of corporate lending. He served in the Petroleum Department and in 1965 was named executive vice president in charge of the newly formed Specialized Industries Division. Mr. Spencer, 63, became head of the Operating Group in 1968 and president of Citibank in 1970.

Edward L. Palmer, chairman of the Executive Committee, provides senior supervision for Credit Policy, the Financial Markets Group, the Investment Management Group and the Economics Department. He also is chairman of the Finance Committee and the Asset and Liability Management Policy Committee, which directs the organizations' funding requirements. He has spent his entire career in the commercial banking business. Mr. Palmer, 63, joined the bank 22 years ago and assumed his present position in 1970.

G. A. Costanzo, vice chairman, represents Citicorp in the international area and supervises the senior corporate officers worldwide and controls long-term business development overseas. He also directs the establishment of country-risk-exposure lending limits. He joined Citibank 20 years ago after holding important positions with the U.S. Treasury Department and the International Monetary Fund. Mr. Costanzo, 64, served as head of Citibank's International Banking Group before being named vice chairman in 1973.

Hans H. Angermueller, senior executive vice president for Legal and External Affairs, supervises the office of the General Counsel, the Corporate Secretary's Office, Government Relations, Public Affairs and Urban Affairs. A graduate of Harvard College, Harvard Graduate School of Engineering and Harvard Law School, he served as an officer in the U.S. Navy during World War II. Before joining the bank in 1973 Mr. Angermueller, 57, specialized in legal matters relating to international and domestic corporate finance as a partner in a New York law firm.

John S. Reed, senior executive vice president, is responsible for Citicorp's Individual Banking business, which includes consumer financial services worldwide. A graduate of the Massachusetts Institute of Technology, Mr. Reed joined the bank in 1965 and held various posts. He was appointed executive vice president in charge of the Operating Group in 1970. Mr. Reed, 42, assumed responsibility for the Consumer Services Group in 1974, upon completion of a strategic study of the bank's worldwide consumer business.

Thomas C. Theobald, senior executive vice president, has responsibility for all Citicorp-Citibank worldwide businesses with corporations, governments and financial institutions. Previously, Mr. Theobald was in charge of the International Banking Group, the World Corporation Group, the Investment Management Group, and a consumer finance affiliate in Australia. Mr. Theobald, 43, joined Citibank 20 years ago after graduation from Holy Cross College and Harvard Business School.

Paul J. Collins, executive vice president, supervises the accounting and control functions of Citicorp and Citibank, which include the Financial Controller's office, the Corporate Tax Division, Corporate Services, and administration of the Chief Auditor's office. Mr. Collins, 44, who joined the bank in 1961 after earning a degree from Harvard's Graduate School of Business Administration, served in the Investment Management Group for 14 years and was appointed senior vice president and chief investment officer in that group in 1970. He subsequently headed the Corporate Planning Department and became head of the Finance Division in 1977.

James D. Farley, executive vice president, is responsible for institutional lending operations in the Caribbean, Central and South America. Previously, he was head of the Merchant Banking Group. Mr. Farley, 54, joined the bank in 1950 and rose through a succession of increasingly responsible positions, including service in Argentina and Canada. For several years he was head of consumer banking operations in New York. He became an executive vice president of Citibank in 1969.

John W. Heilshorn, executive vice president, now directs the Corporate Strategy and Development function of Citicorp and Citibank. Previously, he was in charge of all of the organizations' consumer businesses in the United States. Earlier, he headed the Investment Management Group from 1973 to 1979. Mr. Heilshorn, 54, who holds a degree from the U.S. Merchant Marine Academy and also attended New York University and Rutgers, joined Citibank in 1960. Since then, he has held domestic and international banking posts.

Donald S. Howard, executive vice president, heads the newly formed Financial Markets Group and serves as the chief financial officer of Citicorp. In this position he directs funding and foreign exchange activities worldwide and is in charge of corporate capital planning and financing. A native of Colorado, Mr. Howard, 52, holds degrees from Northwestern University and the Harvard Graduate School of Business Administration. He has been with Citibank for 23 years.

Anthony C. Howkins, executive vice president, is head of the Investment Management Group. Previously, he had been area corporate officer for Brazil since 1976. The IMG supplies financial and investment services for individuals, institutions and governments. Mr. Howkins, 56, came to the bank in 1951 as a management trainee. Over the years, he served in a number of banking posts, including service as a senior vice president in the World Corporation Group from 1974 to 1976.

Robert R B. Logan is executive vice president in charge of the Merchant Banking Group, which manages international loan syndications, international securities underwriting and trading, financial advisory services, and venture capital investment. Previously, he was a senior vice president in charge of International Banking Group operations in Europe, Australia and Canada. Mr. Legan, 48, a native of Britain, joined Citibank in 1961 as a trainee in the London office.

Anthony G. Mantzavinos, executive vice president, is in charge of Institutional Banking in the new Asia/Australia/Middle East-Africa banking group. Before this assignment, he was in charge of the Financial Institutions Division. Mr. Mantzavinos, 52, a graduate of McGill University, was born in Greece. He joined Citibank in 1964 and has served as senior officer in Spain, Portugal, Cyprus, Greece and Canada.

Reuben R Richards, executive vice president, directs all Institutional Banking activities in Europe. Prior to this appointment, Mr. Richards, 51, had directed the World Corporation Group since 1977. A graduate of Harvard University, Mr. Richards joined the bank 28 years ago, progressing through a number of positions in the United States, including direction of the National Banking Group from 1970 until 1977.

Lawrence M. Small, executive vice president, is in charge of Institutional Banking for North America. This assignment gives him responsibility for a full range of financial services to several thousand commercial and industrial businesses based in the United States and Canada, as well as insurance firms, finance companies, accountants, investment banks, real estate corporations, hospitals and educational and charitable institutions. Previously, he had served as head of the National Banking Group since 1977. Mr. Small, 39, is a graduate of Brown University and joined the bank in 1964. At various times in his Citibank career he has worked in Chile, headed a number of operating departments including data processing, supervised the upstate New York banking subsidiaries and has been in charge of Personnel Relations.

George J. Vojta, executive vice president, is deputy to the vice chairman. Previously, he was in charge of Corporate Strategy and Development, which oversees long-term plans for Citicorp and Citibank, identifying potential opportunities and problems that lie ahead. Mr. Vojta, 45, joined Citibank 20 years ago. He held international posts in such countries as the Philippines, Pakistan, and Japan, before returning to the U.S. in 1972 to head the Corporate Planning Department and, later, the International Banking Group. He developed the long-term plan that guided the January 1, 1980, reorganization.

Robert B. White, executive vice president, is in charge of the Financial and Information Services Group, which manages information services and financing/bank operations services for regional and holding company banks, independent banks, thrift institutions, credit unions, the securities industry and government agencies in the U.S. Mr. White, 45, came to Citibank nearly eleven years ago, and has been instrumental in automating and decentralizing many of the bank's routine processing operations. He is a graduate of Ohio State University and the University of Florida.

P. Henry Mueller, chairman, Credit Policy Committee, was appointed senior credit officer of both organizations in 1974. He has held posts in domestic banking, corporate lending, economics and international monetary and credit affairs. Mr. Mueller, 63, joined Citibank in 1934 as a page, completing his education at Princeton in 1941 on a bank scholarship. During World War II he served with the U.S. Marines and the State Department, participating in the Bretton Woods Conference in 1944.

Leif H. Olsen, chairman, Economic Policy Committee, is responsible for monitoring and forecasting business and financial trends in the U.S. and worldwide. A native of Norway, Mr. Olsen joined the bank in 1962 after working with the Federal Reserve Bank of New York and a major securities firm. Mr. Olsen is 54 years old and assumed his present position in 1977.

Stephen C. Eyre, senior vice president-secretary of Citicorp, took over the office of corporate secretary in November 1980 after serving as Chief Auditor and Comptroller for seven years. He is responsible for protocol and special events, stockholder relations, exchange listings, proxy and annual meeting matters, contributions, the coordination of litigated matters and insurance protection of Citicorp properties. Mr. Eyre, 58, joined the bank in 1947 as a foreign branch inspector after serving in the U.S. Army and graduating from Yale University. Mr. Eyre has extensive experience in corporate lending in the U.S. and overseas. Appointed a senior vice president in 1965, he has served as head of the International Banking Group's European and Canadian-Caribbean divisions.

George J. Clark, Jr., senior vice president, is senior corporate officer for the Middle East and Africa. Before this assignment he was division head, successively, for South America, the Middle East, Africa and Asia in the International Banking Group. In his new post, Mr. Clark represents the corporation in his area, administers corporate policy and controls and is responsible for the long-term development of business in his area. Mr. Clark, 56, who has degrees from Yale and Harvard universities, joined Citibank in 1964 after holding posts in the International Monetary Fund and the Greek Economics Ministry. During World War II, he served in the U.S. Marine Corps.

George E. Hagerman, Jr., senior vice president, heads the International Financial Institutions Banking Division, which maintains the bank's operational and marketing relationships with overseas correspondent banks and financial institutions. He also supervises the institutional electronic banking effort. In September 1977, he became senior vice president-administration for Citicorp and Citibank. Mr. Hagerman, 47, joined Citibank's Overseas Division in 1957, was assigned to Venezuela in 1958, and appointed vice president in charge of Venezuela in 1967. He supervised the River Plate area, Chile, Peru and Bolivia from 1971 to 1974, and Brazil from 1974 to 1976. Returning to New York in 1976, he became division head for Central and South America and the Caribbean. Mr. Hagerman assumed his present responsibilities in January 1980.

Raymund A. Kathe, senior vice president, is senior corporate officer for Asia. Previously, he was the division head for the World Corporation Group, Asia-Pacific-India division. Mr. Kathe, 57, has been with Citibank since 1946. He has held positions in China, Korea, Japan and Hong Kong, and was named a senior vice president in 1969. Mr. Kathe earned a degree from Miami University in Oxford, Ohio, graduated from the School for Overseas Administration, Harvard University, and served in the Army Air Corps during World War II.

Charles E. Long, senior vice president, directs all of the organizations' banking and financial business with individuals in the 18 countries outside the U.S. where there are extensive consumer operations. Mr. Long, 41, joined the bank in 1972 after broad experience in computer sciences to manage the systems and data processing activities of the Operating Group. In 1974 he became responsible for all operational activities of the Personal Banking Group and in 1975 assumed management for the overseas businesses.

William R. Rhodes, senior vice president, is the senior corporate officer for Citibank activities in the Caribbean and Central and South America. Previously, he was division head in the International Banking Group in charge of Citibank's operations in Latin America and the Caribbean. He joined the bank in 1957, after graduating from Brown University, and has held several positions in the Latin American and Caribbean area. Mr. Rhodes is 45 years old.

Frederick A. Roesch, senior vice president, is in charge of Personnel Planning and Development, which sets personnel policy and oversees human resource development for the corporation. Mr. Roesch, 42, is a native of South Dakota and is a graduate of Dartmouth College and the University of California. He joined the bank in 1964 and served in positions in Asia and as head of Citicorp's worldwide venture capital activities before being appointed senior vice president for the Asia-Pacific Division in 1975.

James W. Stevens, senior vice president, is senior corporate officer for Europe. Before that, he served as head of the Money Market Division of the Merchant Banking Group. A graduate of Williams College and New York University, he joined the bank in 1958 as a trainee. After posts in corporate lending and merchant banking, he was appointed a senior vice president in 1975. Mr. Stevens is 44 years old.

Daniel T. Jacobsen, Chief Auditor, assumed responsibility for worldwide Citicorp-Citibank audits and loan reviews in August 1980. Previously, he had held international posts in Mexico, Canada, Japan, Hong Kong, and most recently the Philippines, where he was country senior officer from 1975 to 1980. Mr. Jacobsen, 48, joined Citibank in 1959. As Chief Auditor, he reports directly to the Board of Directors and is not a member of the Policy Committee.

Citicorp
Senior Management

Walter B. Wriston,
Chairman
William I. Spencer,
President
Edward L. Palmer,
Chairman
of the Executive Committee
G. A. Costanzo,
Vice Chairman
Hans H. Angermueller,
Senior Executive
Vice President
John S. Reed,
Senior Executive
Vice President
Thomas C. Theobald,
Senior Executive
Vice President
Paul J. Collins,
Executive Vice President-
Accounting and Control
Donald S. Howard,
Executive Vice President
Robert B. Logan,
Executive Vice President
Lawrence M. Small,
Executive Vice President
Stephen C. Eyre, Senior
Vice President-Secretary
P. Henry Mueller,
Chairman
Credit Policy Committee
Daniel T. Jacobsen,
Chief Auditor
Edwin P. Hoffman,
Senior Vice President
Thomas E. Jones,
Senior Vice President-
Chief Accounting Officer
Patrick J. Mulhern,
Senior Vice President
and General Counsel
Frederick A. Roesch,
Senior Vice President

CITICORP AND CITIBANK DIRECTORS

Citicorp and Citibank Directors

The Boards of Directors of Citicorp and Citibank meet [illegible] third Tuesday of [illegible] month to administer the affairs of the organizations. Certain specific operations and areas of the corporation and the bank are regularly monitored by the director committees, whose activities are described on the following pages.

† Director of Citicorp
△ Director of Citibank

Walter B. Wriston†△
Chairman
Citicorp and Citibank

Lord Aldington†
Director
Various Companies

G. A. Costanzo†
Vice Chairman
Citicorp and Citibank

John D. deButts†
Former Chairman of the Board
American Telephone and
Telegraph Company

Carl W. Desch△
Former Corporate
Secretary of Citicorp

James H. Evans†△
Chairman of the Board and
Chief Executive Officer
Union Pacific Corporation

Dr. Lawrence E. Fouraker†△
Professor Graduate School of
Business Administration,
Harvard University

Clifton C. Garvin, Jr.†△
Chairman of the Board and
Chief Executive Officer
Exxon Corporation

J. Peter Grace†△
President and Chief
Executive Officer
W. R. Grace & Co.

Harry J. Gray†△
Chairman, President and
Chief Executive Officer
United Technologies
Corporation

John W. Hanley†△
Chairman and Chief
Executive Officer
Monsanto Company

John P. Harbin†△
Chairman of the Board and
Chief Executive Officer
Halliburton Company

Robert S. Hatfield†△
Chairman of the Executive
Committee
The Continental Group, Inc.

H. J. Haynes†△
Chairman of the Board and
Chief Executive Officer
Standard Oil Company
of California

Amory Houghton, Jr.†△
Chairman of the Board
Corning Glass Works

Dr. Juanita M. Kreps†
Former United States
Secretary of Commerce

C. Peter McColough†△
Chairman of the Board and
Chief Executive Officer
Xerox Corporation

Roger Milliken†△
President
Milliken & Company

Edward L. Palmer†△
Chairman of the
Executive Committee
Citicorp and Citibank

Charles M. Pigott†△
President
PACCAR Inc.

William M. Rees△
Chairman
The Chubb Corporation

Donald V. Seibert†△
Chairman of the Board and
Chief Executive Officer
J. C. Penney Company, Inc.

Irving S. Shapiro†△
Chairman of the Board
E. I. du Pont de Nemours
& Company

Dr. Eleanor H. B. Sheldon†△
Former President
Social Science Research Council

William E. Simon†△
Chairman
Crescent Diversified Limited
Deputy Chairman
Olayan Investments
Company Establishment

Dr. Mario H. Simonsen†
Vice Chairman
Brazilian Institute of Economics

Darwin E. Smith†△
Chairman of the Board and
Chief Executive Officer
Kimberly-Clark Corporation

William I. Spencer†△
President
Citicorp and Citibank

Franklin A. Thomas†△
President
The Ford Foundation

BOARDS OF DIRECTORS' COMMITTEES

Accounting Committee: oversees the establishment of appropriate accounting policies for Citicorp and Citibank

Members: C. Peter McColough, *Chairman;* John P. Harbin, H. J. Haynes, Amory Houghton, Jr. and Dr. Mario H. Simonsen *(Citicorp only)*

The Accounting Committee reviews the accounting policies used to prepare the financial statements of Citicorp and Citibank, including the statements in this annual report, with the independent certified public accountants and the chief accounting officer of the Corporation. Once satisfied with the accounting policies being used, we require the Chief Auditor to monitor the application of these policies to ensure compliance.

Among issues reviewed by the Accounting Committee during 1980 were compliance with certain new SEC annual report and form 10-K reporting requirements, which are incorporated in this annual report, and a proposal, now under consideration by the accounting profession, to better match consumer loan losses with related revenue.

C. Peter McColough
Chairman

Audit Committee: supervises independent audits of Citicorp

Members: Darwin E. Smith, *Chairman;* Dr. Lawrence E. Fouraker, John P. Harbin, C. Peter McColough and Charles M. Pigott

The Audit Committee, several members of which serve jointly on the Examining Committee of Citibank, meets at least five times each year with the Corporation's public accountants and Chief Auditor. As part of our function, we recommend a certified public accounting firm for election as independent auditors for the coming year. We also review and approve the proposed audit plan and the scope of their examination. At our November meeting we received a detailed proposal from Peat, Marwick, Mitchell & Co., and after we satisfied ourselves as to their independence and capabilities, the board accepted our recommendation that they be retained for 1981. This will be presented to the stockholders for approval at the annual meeting.

In fulfilling our responsibilities, the committee has a continuous examination conducted into the affairs of Citicorp and its subsidiaries. We review the results both with and without the presence of management. We then report our findings to the board. We review reports received from outside regulatory agencies and monitor compliance with their findings. We also meet separately with Peat, Marwick, Mitchell & Co., with no members of management present, to review the results of their examinations and conclusions.

Darwin E. Smith
Chairman

Examining Committee: conducts a continuous examination into the affairs of Citibank

Members: Darwin E. Smith, *Chairman;* Dr. Lawrence E. Fouraker, John W. Hanley, H. J. Haynes, C. Peter McColough, Dr. Eleanor H. B. Sheldon and William E. Simon

The Examining Committee of Citibank, all of whose members are independent outside directors, conducts a continuous examination into the affairs of Citibank, reporting its findings to the board together with the Audit Committee which performs the corresponding function for Citicorp.

The committee meets on a regular basis with the Chief Auditor and Peat, Marwick, Mitchell & Co. It oversees the program of audits and risk asset reviews conducted by the Audit Division worldwide. It also recommends the nomination of a certified public accounting firm for election as independent auditors for the ensuing year.

At our October meeting, representatives of the Office of the Comptroller of the Currency met with the members of the Examining Committee in conjunction with the Audit Committee. They reported fully on the results of their examination and confirmed the soundness of the bank's condition from their standpoint. The committee also conducted reviews of the bank's internal control policies and procedures during the year.

Darwin E. Smith
Chairman

Committee on Directors: recommends qualified candidates for membership on the Boards of Directors of Citicorp and Citibank

Members: Walter B. Wriston, *Chairman;* William I. Spencer, Clifton C. Garvin, Jr., Robert S. Hatfield and Roger Milliken

The Boards of Directors of Citibank and Citicorp, as with any active, working group, change in the normal course of events, with members retiring from their posts on a fairly regular basis and new men or women replacing them. Finding qualified candidates for membership on our boards is the responsibility of the Committee on Directors. More than an advisory group, the committee actively solicits recommendations from the current members and stockholders, and weighs these in the light of the corporation's needs and representation of its different services and customers. The committee then nominates its choices to the full boards, which propose the slate of directors for submission to the shareholders at the annual meeting.

During 1980, Mr. George P. Jenkins, former chairman of the board of The Metropolitan Life Insurance Company, reached normal retirement age, and left the Board of Directors of Citibank.

Walter B. Wriston
Chairman

Executive Committee: provides backup for the Boards of Directors of Citicorp and Citibank

Members: *Citicorp:* John D. deButts, James H. Evans, J. Peter Grace, Dr. Juanita M. Kreps, Donald V. Seibert and Franklin A. Thomas *Citibank, N.A.:* James H. Evans, Clifton C. Garvin, Jr., J. Peter Grace, C. Peter McColough, Donald V. Seibert and Franklin A. Thomas *Ex Officio Members Both Committees:* Walter B. Wriston, William I. Spencer and Edward L. Palmer

Once a month, the Boards of Directors meet to monitor and supervise the activities of Citicorp and Citibank. However, when an urgent matter arises, necessitating a decision before the boards are next scheduled to meet, a meeting of the Executive Committee is called, and the committee acts on behalf of the boards. The committee has nearly all the powers of the Boards of Directors, except for certain ones reserved specifically for the full boards.

During the calendar year 1980, the Executive Committee was called into session on four occasions to approve proposals relating to financings that required immediate decisions.

Edward L. Palmer
Chairman

Fiduciary Review Committee: oversees client-related investment activities of Citibank

Members: William M. Rees, *Chairman;* Harry J. Gray, Roger Milliken, Donald V. Seibert and Franklin A. Thomas

The Fiduciary Review Committee oversees and reviews the trust and investment activities conducted by the Investment Management Group (IMG) for clients of Citibank. These activities include the management and administration of trust and agency accounts for the hundreds of thousands of individuals for whose benefit we manage assets—indirectly through pension trusts and other employer-sponsored benefit plans and directly through personal trusts, estates and investment-advisory accounts. The five members of this committee, who meet four times a year, act as a sounding board and oversight panel, with the ultimate aim of assuring that proper fiduciary principles and procedures are followed.

Other responsibilities of the Fiduciary Review Committee include reviewing potential conflicts of interest between the IMG and other divisions of Citibank and Citicorp, considering proxy procedures with special emphasis on public interest matters, appointing auditors for pooled investment vehicles (as called for in Regulation 9 of the Comptroller of the Currency) and investigating and planning for significant developments that may affect existing procedures.

William M. Rees
Chairman

Personnel Committee: oversees employee policies and programs of Citicorp and Citibank

Members: Robert S. Hatfield, *Chairman;* Clifton C. Garvin, Jr., Harry J. Gray, Donald V. Seibert and Irving S. Shapiro

The human resources of Citicorp and Citibank are its greatest strength and greatest concern. Through the year the Personnel Committee worked with senior management in the development and deployment of these resources as the plans for the future of the company's business were implemented.

In the course of this, compensation programs, including basic salary and incentives opportunities, were reviewed and appropriate modifications to meet changing requirements were recommended to, and approved by, the Board of Directors.

The committee continues to be impressed with the depth of talent throughout the organization, and also with the efforts of senior management to provide and find opportunities for individual members of the organization to grow along with the company's expanding business.

Robert S. Hatfield
Chairman

Public Issues Committee: reviews Citicorp's policies and performance on matters of public concern

Members: William I. Spencer, *Chairman;* John D. deButts, James H. Evans, Dr. Juanita M. Kreps and Franklin A. Thomas

Citicorp believes that it must act effectively and responsibly to respond to changes in the social environment, which affect both public policy and business conditions. The efficient management of our business necessitates that consideration be given not only to the interests of our stockholders and customers, but also employees, local communities, governments and others who are affected by our corporate performance.

The Public Issues Committee embodies Citicorp's commitment at the highest level to conduct our business affairs as a good corporate citizen. The committee regularly reviews policies, practices and programs that involve the public interest and provides overall guidance as appropriate.

During 1980, the Public Issues Committee assessed legal and regulatory issues that impinge on our business performance, and the bank's experience in responding to the disclosure requirements of the Community Reinvestment Act. Additionally, our procedures were discussed for identifying and analyzing issues of public concern, developing responsive strategies and communicating our results.

Our corporate communications and contributions strategies will be reviewed and the efforts of shareholder groups to influence corporate policies through the introduction of proxy resolutions will be evaluated.

William I. Spencer
Chairman

INTRODUCTION

The Annual Report and Form 10-K incorporates into a single document the requirements of the accounting profession and the Securities and Exchange Commission, including a comprehensive explanation of 1980 results.

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ANALYSIS OF FINANCIAL RESULTS

SELECTED FINANCIAL INFORMATION

Citicorp and Subsidiaries

In Millions Except Per Share Amounts	1980 Amount	1980 % Change	1979 Amount	1979 % Change	1978 Amount	1978 % Change	1977 Amount	1977 % Change	1976 Amount	1976 % Change
Interest Revenue	$ 13,040	29	$ 10,098	48	$ 6,817	34	$ 5,096	16	$ 4,387	(4)
Interest Expense	10,495	38	7,589	66	4,561	43	3,195	23	2,607	(9)
Net Interest Revenue	$ 2,545	1	$ 2,509	11	$ 2,256	19	$ 1,901	7	$ 1,780	4
Loan Loss Expense										
Provision for Possible Losses on Commercial Loans	$ 86	4	$ 83	(52)	$ 171	(9)	$ 188	(16)	$ 224	(20)
Consumer Credit Loss Expense	$ 212	40	$ 151	31	$ 115	59	$ 72	(12)	$ 82	77
Net Interest Revenue After Loan Loss Expense	$ 2,247	(1)	$ 2,275	16	$ 1,970	20	$ 1,641	11	$ 1,474	6
Other Operating Revenue	$ 1,171	45	$ 807	9	$ 739	68	$ 440	(4)	$ 457	24
Other Operating Expense	$ 2,574	16	$ 2,211	17	$ 1,882	25	$ 1,508	16	$ 1,302	13
Income Before Applicable Income Taxes	$ 844	(3)	$ 871	5	$ 827	44	$ 573	(9)	$ 629	3
Applicable Income Taxes	337	3	327	(5)	345	80	192	(15)	224	(15)
Income Before Securities Transactions	$ 507	(7)	$ 544	13	$ 482	26	$ 381	(6)	$ 405	16
Gains (Losses) on Securities Transactions After Tax	(8)	—	(3)	—	(12)	—	(7)	—	(4)	—
Net Income	$ 499	(8)	$ 541	15	$ 470	26	$ 374	(7)	$ 401	15
Per Share										
Income Before Securities Transactions										
On Common and Common Equivalent Shares	$4.08	(6)	$4.36	12	$3.88	27	$3.05	(6)	$3.24	15
Assuming Full Dilution	$3.89	(6)	$4.15	12	$3.70	28	$2.90	(6)	$3.08	13
Net Income										
On Common and Common Equivalent Shares	$4.02	(7)	$4.34	14	$3.79	27	$2.99	(7)	$3.21	13
Assuming Full Dilution	$3.83	(7)	$4.13	14	$3.61	27	$2.85	(7)	$3.05	11
Dividends Declared	$1.42	9	$1.30	12	$1.16	9	$1.06	10	$ .96	9
Total Assets	$114,920	8	$106,371	21	$88,195	14	$77,112	20	$64,156	11
Debt(1)	$ 5,962	32	$ 4,501	38	$ 3,254	17	$ 2,775	56	$ 1,775	(11)

(1) Includes intermediate-term debt, long-term debt, convertible notes and preferred stock.

FINANCIAL SUMMARY

1980 was marked by world wide economic uncertainties as evidenced by the unprecedented volatility and height of U.S. interest rates. Citicorp's mix of businesses, most significantly that portion of its consumer and commercial loan portfolio and its investment portfolio that earns at fixed rates of interest was such that in this environment interest margins were squeezed.

In this environment, Citicorp's consolidated income before securities transactions in 1980 was $507 million, down $37 million, or 7% from the record $544 million reported a year ago. Per share earnings were $4.08 in 1980, down 6% from $4.36 for 1979. In 1978 Citicorp earned $482 million or $3.88 per share.

However, 1980 was also the period which saw the breakdown of several external barriers to Citicorp's ability to compete effectively and profitably. The legislative and regulatory relief we sought to price our products adequately was granted, but came too late in the year to be reflected in 1980's earnings. New York State liberalized its usury statutes, and the Federal government overrode state usury statutes on home mortgages, thereby permitting market pricing on new home finance activities in the United States. These two factors significantly improve the prospects for Citicorp's domestic consumer lending, which was not profitable in 1980. At the Federal level, there was further liberalization of the ability of financial institutions to pay a going rate of interest to consumers. In 1980, Congress passed the "Depository Institutions Deregulation and Monetary Decontrol Act of 1980" which extended NOW accounts nationwide and began the process of phasing out Regulation Q over a six-year period.

Citicorp's total capital funds, composed of common stockholders' equity, preferred stock, convertible notes, and long-term debt with original maturities of 15 years or more, grew by 11% during 1980 while total assets grew 8%. Total capital funds were $6.5 billion at year end, up from $5.9 billion in 1979, and $4.7 billion in 1978 and are more than twice the total five years ago. The common stockholders' equity component of total capital funds grew

by 8% to $3.9 billion from $3.6 billion at the end of 1979.

Total assets increased to $115 billion from $106 billion. Consumer loans grew 17% to $16 billion and commercial loans grew 10% to $54 billion, while deposits at interest with banks, typically a lower-yielding asset, declined 28% to $13 billion.

Return on average total assets was .47% in 1980 compared with .58% in 1979 reflecting the decreased rate spreads. Total capital funds as a percentage of total assets increased from 5.5% to 5.7% and average common stockholders' equity as a percentage of average total assets was 3.5%, down slightly from 3.6%. The return on average stockholders' equity was 13.5% in 1980 compared with 16.1% in 1979. (See Liquidity and Capital Funds Analysis on page 29 for further information).

Citicorp's $37 million decrease from 1979 in income before securities transactions was affected by the following factors:

☐ Net interest revenue increased 1% or $36 million as a 13% growth in average funds employed was essentially offset by a decrease in the net rate spread.

☐ Reflecting continued improvement in portfolio quality, commercial loan losses aggregated .10% of average commercial loans, the lowest level since 1969. Commercial loan loss expense of $86 million was flat while commercial net loan losses decreased from $60 million in 1979 to $49 million in 1980 reflecting continued strong recoveries; especially real estate loans.

☐ Consumer credit loss expense increased $61 million from 1979 to $212 million. Net losses as a percentage of average consumer loans was 1.33% in 1980, essentially flat with 1.31% in 1979. The 1979 ratio reflects the elimination of the adjustment for the change in the estimate of credit losses and recoveries of an overseas subsidiary in the second quarter of 1979. Losses on loans to individuals, net of recoveries, were $195 million in 1980 compared with $125 million last year, reflecting a higher volume of loans outstanding during 1980 and more liberal personal bankruptcy statutes in the United States. Excluding the overseas subsidiary adjustment, 1979 net losses would have been $150 million.

☐ Other operating, or non-interest revenues were up $364 million or 45% to $1.2 billion. The largest component of other operating revenue is total fee revenues, which increased by 20% or $125 million to $742 million reflecting growth in trade-related letter of credit services, trust and fiduciary fees, newly acquired businesses and consumer fees. Securities trading profits rose $16 million to $71 million. Foreign exchange trading amounted to a record $175 million before translation losses, while translation losses were $12 million or $95 million better than 1979 reflecting improved coverage of net exposed capital primarily in Brazil.

In addition, revenues from various other activities increased $65 million, representing the ongoing generation of earnings from affiliates, the sale of leased equipment and the future residual values of leased equipment, the sale of premises no longer required by the Corporation and the sale of other assets such as venture capital investments or subsidiaries which no longer are part of our longer-term plans. A detailed analysis can be found on page 22 of this report.

☐ Other operating expense increased 16% or $363 million to $2.6 billion from $2.2 billion. The increase reflects inflationary increases in worldwide costs of both institutional and individual banking activities, planned acquisitions and expansion of financial institutions services, and other activities.

The Businesses of Citicorp

Citicorp, a holding company, was incorporated in 1967 under the laws of Delaware and is the sole shareholder of Citibank, N.A.

Today Citicorp, with its subsidiaries and affiliates, is a multinational financial services organization. Its staff of over 53,000 people serve the financial needs of individuals, businesses, governments and financial institutions in approximately 2,100 locations, including branch banks, representative offices and subsidiary and affiliate offices in the United States and 92 countries throughout the world.

Citicorp, Citibank and their subsidiaries and affiliates are subject to intense competition in all aspects of their businesses from both bank and non-bank institutions that provide financial services and, in some of their activities, from governmental agencies.

In order to meet the challenges of today's and tomorrow's marketplace Citicorp has organized its activities around customer-oriented core businesses. These organizational units, the two largest of which relate to the corporation's business with individuals and institutions, are structured to provide managerial initiative, and to place the human and financial resources of the corporation as close as possible to the marketplace served.

Institutional Banking

Institutional Banking provides a full range of financial services to business, governmental, health, educational, and charitable organizations throughout the world and to non-U.S. financial institutions. Institutional Banking is geographically organized into four banking groups; the North American Banking Group, the Caribbean, Central and South American Banking Group, the European Banking Group and the Australia, Asia, Middle East and African Banking Group. Additionally, the Financial Institutions Banking Division is responsible for servicing international correspondent banks and financial institutions.

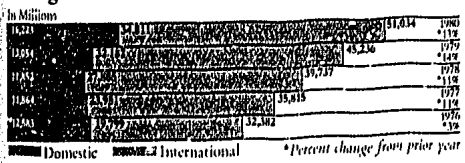
Worldwide commercial loan volume was $54.3 billion at year-end 1980 up $5.1 billion or 10% from the $49.2 billion reported a year earlier. Domestic loan volume grew by 12% while loans in overseas offices increased 10%

from year-end 1979. The chart "Average Commercial Loans" depicts the recent five year growth in average commercial loans for domestic and international clients. Commercial loan portfolio quality improved as reflected in the continuing downward trend of net loan losses as a percent of average loans to .10% in 1980, and the decline in nonperforming loans to $799 million at year-end 1980, less than half the $2.0 billion high recorded at the end of 1976. Commercial loan pricing, however, remained very competitive in 1980, and accompanied by the extremely volatile interest rate environment, resulted in no improvement in spreads in most markets.

A very favorable 1980 development was a substantial increase in non-interest bearing deposits from financial institutions, achieved by highly competitive service quality.

Another significant development in Institutional Banking was the rapid expansion of electronic banking services such as the "Citicash Manager." With this service, corporate treasurers have instant access to balances and funds transfer capabilities. Sales of this service and other existing products, and establishment of new customer relationships increased significantly during 1980. This reflects our continuing commitment to developing and offering our customers the most advanced and efficient services in banking technology.

Average Commercial Loans Net of Unearned Discount



Individual Banking

Individual Banking offers consumers in the United States and 18 other key markets throughout the world a full spectrum of financial services. These services include credit cards, travelers checks, shelter financing (including residential mortgages and mobile home loans) and financing of other household, family, and personal expenditures. A wide range of deposit programs are also offered to individuals. Individual Banking is organized into two banking groups each of which serves a major geographic market. The Domestic Consumer Services Group is responsible for consumer business in the domestic U.S. market while the International Consumer Services Group is responsible for consumer businesses abroad.

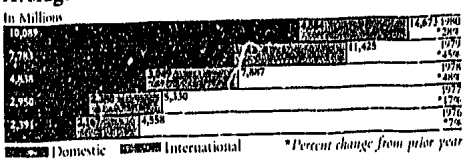
Domestically, as consumers appropriately sought deposit instruments yielding market returns, a compression of net rate spreads was experienced as the cost of consumer deposits increased while the pricing was restricted on the lending side. Because of this squeeze on interest margins the Domestic Consumer Services Group lost money in 1980 while the International Consumer Services Group, not so restricted, continued profitably.

As previously noted in this Report, certain developments of 1980 have enhanced significantly the potential for growth and profitability in our home market in the years ahead. The liberalization of usury limits in New York State and recently granted federal approval to open a bank in South Dakota which is without usury limits, will enable Citicorp to earn rates on loans more commensurate with funding costs. Secondly, the phasing out of Regulation Q over 6 years, will enable us to provide the consumer with more and varied ways to earn on deposits, thereby increasing the potential for growth in this market.

In 1980, Citicorp's consumer loans grew $2.3 billion or 17% to $15.7 billion at year end from $13.3 billion a year ago. They now constitute 22% of Citicorp's total loans, up slightly from 21% at year-end 1979. The chart "Average Consumer Loans" depicts the recent growth in average consumer loans for domestic and international activities. In 1980, average consumer loans increased 28% in total, 30% domestically and 26% internationally. Domestically, this rate of growth was down from the 1979 and 1978 growth rates.

Domestic consumer time deposits again registered significant growth, increasing $1.2 billion from last year to $5.5 billion. This increase reflects the increase in the six-month money market certificates sold to consumers in New York.

Average Consumer Loans Net of Unearned Discount



As a measure of the quality of the consumer loan portfolio, net losses as a percentage of consumer loans have remained approximately at the 1979 level, after the elimination of the $25 million reduction in net loan losses due to the change in the estimate of credit losses and recoveries of an overseas subsidiary in the second quarter of 1979.

Fees for banking services to individuals, principally from credit card activities were essentially flat due to relatively moderate domestic consumer credit demand. Consumer fees now represent approximately 43% of Citicorp's total fee revenues.

Other Businesses

In addition to the Individual and Institutional banking activities, there are four other organizational units that provide specialized financial services to Citicorp customers. They are the Financial and Information Services Group, the newly formed Financial Markets Group, the Investment Management Group and the Merchant Banking Group. As well, the Legal and External Affairs Group coordinates our efforts to relate to our many publics and improve the legislative and regulatory environment in which we operate.

The Financial and Information Services Group (FISG)

The Financial and Information Services Group (FISG) provides financing and traditional banking services to commercial banks and thrift institutions in the U.S. In addition, it provides offsite and on-site information processing services to commercial banks, thrift institutions, credit unions, corporations and government agencies.

Financial Markets Group (FMG)

The newly created Financial Markets Group has combined, effective January 1, 1981, the activities of Citicorp's Treasury and Foreign Exchange Division, which is responsible for funding and liquidity management for Citicorp and Citibank, as well as certain domestic securities activities and related consulting and fee-based services of the Merchant Banking Group. This new group, with over 1000 staff members, consolidates marketing, operations and trading activities.

In addition to raising funds for Citicorp and its subsidiaries in the domestic and international markets, the FMG underwrites, distributes and trades U.S. government and agency securities, money market instruments and certain state and municipal obligations and provides consulting and paying agency services to issuers of tax-exempt and government guaranteed debt.

The FMG is a principal dealer in the foreign exchange interbank market and provides comprehensive foreign exchange trading and counseling services to Citicorp's corporate clients.

The Investment Management Group (IMG)

The Investment Management Group (IMG) offers a broad range of products and services to high-net-worth individuals and institutions both in the United States and overseas. Individuals worldwide are provided banking, portfolio management, custodian, trust and estate services, and special services such as fine arts management and real estate acquisition. For corporations, municipalities and other domestic institutions, the IMG serves as investment advisor and trustee for employee benefit plans. IMG also provides master and directed trust, securities lending and various custodial/record-keeping services to corporate clients. Internationally, IMG provides asset management, custodial and investment services to a wide variety of individuals and organizations.

The Merchant Banking Group (MBG)

Located in 18 major financial markets throughout the world, the Merchant Banking Group (MBG) underwrites, distributes and trades a wide range of national and international securities outside the United States, and provides fee-based advisory and fund-raising services to corporations, governments and financial institutions worldwide.

The Group's international and domestic advisory services include general corporate finance, public finance, project finance, and mergers, acquisitions and divestitures.

Global fund-raising capabilities of the MBG include loan syndications, private placements, parallel loans and a variety of specialized currency swap transactions. Through its Venture Capital Division, the MBG makes venture and risk capital investments.

The Legal and External Affairs Group (LEAG)

The Legal and External Affairs Group was created to focus professional resources in the law, regulation, public policy analysis and communication areas, on the business and environmental challenges facing Citicorp.

LEAG played an important role in 1980 in achieving usury relief and the ultimate elimination of interest rate ceilings paid to consumers. LEAG continues to seek to eliminate regulatory and legislative burdens on the banking community and to enhance public awareness of Citicorp's stance on public interest issues.

STATEMENT OF INCOME ANALYSIS

Worldwide Net Interest Revenue (Taxable Equivalent Basis)

Net interest revenue worldwide increased $35 million or only 1% over 1979 to $2,622 million. Interest earning assets increased but the resulting higher income was essentially offset by similar increases in interest paid resulting in a decline in net rate spread. The relative contributions made to this income growth by changes in the volume of interest earning assets in the portfolio and changes in the net rate spread earned on the portfolio should be separated. The change in net interest revenue in both 1980 and in 1979 over the preceding year was caused by increases in portfolio volume (13% in 1980 and 19% in 1979), partially offset by decreases in the net rate spread (33 basis points in 1980 and 28 basis points in 1979). This impact on the net rate spread on Citicorp's portfolio can be better understood by examining the make up of the portfolio and the impact of funding strategies.

Interest Rate Risk

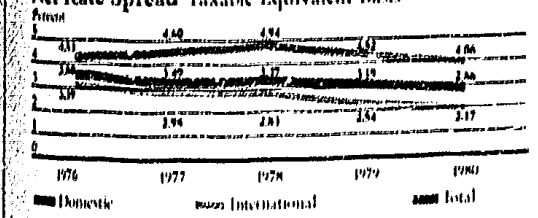
Lending and investment activities involve the measurement and management of risk. One of these risks is interest rate risk which can be defined as earnings exposure from fluctuations in interest rates. This risk exists when assets and liabilities do not reprice simultaneously and by equal amounts. For example, if a three-month loan is funded with a three-month liability, there is no interest rate risk because any changes in interest rates during three months would have no effect on interest earned or paid. However, if the three-month loan is funded with a one-month liability there is a rate exposure during the two months after the liability matures and before the asset matures. If interest rates go up, the interest paid will go up and the net interest revenue will decline after the first month. Conversely, if interest rates decline, the interest paid will decline and the net interest revenue will increase after the first month.

Banking has historically involved the assumption of rate and liquidity risk by the bank for which it receives an interest differential. In a highly volatile rate environment it is difficult to eliminate rate risk in funding $115 billion of assets. At Citicorp today, liabilities reprice more rapidly than assets. Therefore, when interest rates rise net interest spreads decline.

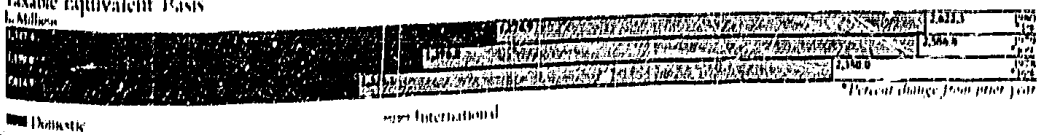
Historically, the volatility of interest rates was less and interest rate risk was not a significant factor. Also, Citicorp had domestic assets repricing more rapidly than domestic liabilities, with a result that the net rate spread increased in high interest rate environments. However, the recent increased volatility of market interest rates, combined with a change in portfolio mix, particularly domestically, to one where liabilities reprice more rapidly than assets and the inability to reprice some assets due to usury limits resulted in a decline in net rate spread. The domestic asset-liability mix changes are a result of the following major items:

- The commitment to build a diversified consumer business in the United States. Interest rates, and in turn funding costs, accelerated dramatically while pricing was limited by usury laws. As noted previously, many of these pricing limits have been removed.
- Increase in fixed rate asset-based finance business, which carries relatively high rates but does result in volatility in earnings.
- Increases in investment portfolio securities, funded primarily with repurchase agreements which are typically repriced daily. These security holdings increased to $4.1 billion at year-end 1980 from $2.7 billion and $1.9 billion at year-end 1979 and 1978 respectively.
- Issuance of $250 million of fixed rate long-term debt which resulted in reduction of domestic interest rate exposure.

Net Rate Spread Taxable Equivalent Basis



Components of Net Interest Revenue
Taxable Equivalent Basis



The net rate spread on overseas business was also adversely affected during 1980 by liabilities repricing more frequently than assets in a rising rate environment particularly in the United Kingdom. This interest rate risk on overseas assets and liabilities is the result of two factors quite different in nature:

- Fixed rate lending to local corporations and consumers, primarily in non-U.S. dollar currencies, that results in rate sensitivity similar to the domestic interest rate exposure. However, our experience is that because this exposure is spread over many currencies in many countries with different rate environments, the net impact on the earnings of the Corporation of fixed rate lending outside the U.S. is moderated.
- Short-term rate sensitive business, primarily in dollars, which is the result of short-term funding or treasury decisions as discussed in the above example of the three-month loan.

The net 1980 effect of the interest rate risk translated into 224 basis point increase in rate paid as compared to only 170 basis point increase in rate earned, resulting in a decline in net rate spread.

1980 Developments

The rate sensitivity of the portfolio will continue to affect net interest revenue. However, several actions have recently been taken which reduce interest rate risk including the lifting of New York's usury ceiling by the state legislature, the regulatory approvals allowing Citicorp to establish a national bank in South Dakota which does not have usury limits on interest rates charged to consumers, and the elimination of ceilings on mortgage rates. These changes allow higher interest charges and will improve the profitability and reduce the rate sensitivity of the consumer portfolio.

In addition, Citicorp issued over $850 million of fixed rate liability instruments in 1980. New consumer liability products have been developed, but await regulatory approval. The rate sensitivity of assets and liabilities is being monitored. Overall interest rate risk is managed to balance opportunity to profit from rate differentials with the earnings risk from unexpected interest rate change.

Loan Loss Expense and Allowances

Citicorp has continued its policy of reflecting all known loan losses in current earnings while increasing the allowance for future losses by some $54 million in 1980. The combined commercial and consumer loan loss allowances now total $506 million. Over the past five years we have reflected all losses in current earnings while increasing allowances for future losses by over $200 million.

As management intends to continue this loan loss policy, loan loss allowances have thus become in essence an allocation of capital, and serve the same purpose as all equity capital; to absorb any losses not covered by current earnings.

In last year's Annual Report we noted that consumer loan losses are a predictable cost of being in the consumer lending business, and that it is sound and conservative to charge such predictable losses to earnings as the directly-related revenues are recognized. Therefore, we continue to favor a change in present accounting conventions to permit us to charge income for credit loss expense over the life of the loan portfolio instead of recording this expense at the time each loan is booked. This change would better match consumer loan losses against current revenues.

Commercial Loan Loss Expense

The provision for possible losses on commercial loans was $86 million for 1980, $3 million more than the $83 million provided in 1979 and $37 million higher than actual net loan losses, bringing the allowance for possible commercial loan losses to $359 million at year-end 1980. In 1978, the provision for possible losses on commercial loans was $171 million and actual net loan losses were $112 million. At December 31, 1979 and 1978 the allowance stood at $328 million and $304 million, respectively.

The level of loan losses recognized is a significant factor in determining the appropriate level of the provision for possible losses on commercial loans. Each year, an estimate of loan losses for the year serves as the starting point in determining the appropriate level of the provision. However, the amount actually provided in any period may be greater or less than net loan losses, based on management's continuing assessment of the appropriate level of the allowance for possible losses on loans. Such factors as the anticipated impact of domestic and international economic conditions on the loan portfolio, the character, diversification and size of the portfolio, past and expected loss experience and other pertinent indicators are considered in making this decision.

The trend of reduced commercial net loan losses has continued from the 1975 peak of $260 million. In 1980, commercial net loan losses were $49 million compared with $60 million in 1979 and $112 million in 1978.

Recoveries were $60 million in 1980, primarily from real estate loans, compared to $59 million a year ago and $80 million in 1978 when large recoveries were realized on the Penn Central Corporation loan. (See Commercial Loan Portfolio Risk Analysis on pages 24–26 for further details.)

Consumer Credit Loss Expense

Consumer credit loss expense was $212 million this year, while average consumer loans outstanding were $14.7 billion. The expense increased $61 million from $151 million in 1979 when average loans outstanding were $11.4 billion. Consumer net loan losses increased from $125 million in 1979 to $195 million in 1980. This increase reflects the 28% growth in average consumer loans and includes a $25 million adjustment reducing net write-offs due to a change in the estimate of write-offs and recoveries of an overseas subsidiary in 1979. Consumer credit loss expense in 1978 was $115 million, when average consumer loans were $7.9 billion. Consumer credit loss expense is built up as a composite of three factors: (a) the actual net consumer credit loss experience related to the portfolio, (b) a factor statistically calculated to reflect the likely losses associated with the most recent growth of the portfolio and (c) a further adjustment in anticipation of potential losses that likely exist in the portfolio but which are not fully anticipated by the first two items. (See Consumer Loan Portfolio Risk Analysis on pages 27–28 for additional detail.)

Other Operating Revenue

Total fee revenues increased by 20% or $125 million to $742 million reflecting growth in trade-related letter of credit services, acceptance fees, trust and fiduciary fees, newly acquired business servicing financial institutions and consumer fees.

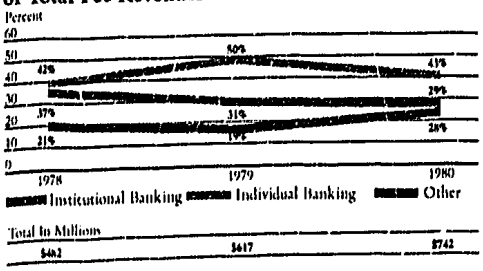
Fee based services to domestic financial institutions include back office information processing and other banking services, particularly to credit unions and other thrift institutions. Such fees have increased some $50 million with comparable increases in related operating expenses. Fees from services to individuals, which comprise about half of Citicorp's total fee revenues, increased marginally in 1980 over 1979 reflecting lower growth of fees directly associated with consumer credit, which was restrained in a difficult economic and interest rate environment. This is in contrast to 1979's 50% increase in consumer fees over 1978 when consumer credit growth, particularly credit card volumes, was substantial.

Investment management and agency fees rose to $109 million in 1980, up 24% or $21 million from the 1979 performance, primarily due to growth in volume, appreciation in market value of assets managed and expanded overseas activities.

Securities trading account profits and commissions increased $16 million or 29% to a record $71 million. In the highly volatile rate environment of 1980, domestic trading profits increased $25 million from $34 million last year to $59 million. Domestically, Citibank is a dealer in U.S. government and state and municipal debt obligations, buying and selling for its own account. Similar trading activities, principally in foreign government securities, are performed in certain overseas offices. International trading profits for 1980 were $12 million, down $9 million from $21 million last year attributable to different treatment of appreciation of Brazilian monetary correction bonds described below. If similar treatment were afforded on these bonds in 1979 international trading profits would have been approximately $10 million. Securities trading profits in 1978 were $21 million, primarily generated in overseas offices.

Total foreign exchange profits and commissions, inclusive of trading and hedging activities and translation losses increased to $164 million, up $158 million from 1979 and $59 million from 1978. Foreign exchange income includes trading activities of $175 million, up from $114 million in 1979 and above the previous record of $172 million in 1978. The improvement in foreign exchange trading income was well diversified among several trading centers.

Percentage Distribution of Total Fee Revenues



Foreign Exchange Profits and Commissions

In Millions	1980	1979	1978
Foreign Exchange Trading ...	$175	$114	$172
Translation Gains (Losses) ...	(12)	(108)	(67)
Total	$164	$ 6	$105

Foreign exchange trading shown in the above table includes trading activities in all currencies and net translation losses in hedgeable currencies. Translation losses represent losses on net capital investments in currencies which have weakened against the U.S. dollar and where an acceptable hedge was not available.

The major factor in the year-to-year decrease in translation losses was improvements in Brazil, where there was a decrease in net capital exposure. Brazilian translation losses were $2 million in 1980, down $93 million from 1979 and down $52 million from 1978. The percentage devaluation in the cruzeiro totaled 35% in 1980 compared with 52% in 1979 and 22% in 1978. Additionally, a change in the treatment of the appreciation in value of Brazilian monetary correction bonds, previously recorded as trading account profits and interest revenue, is now being recognized as a reduction of translation losses and amounted to $34 million in 1980.

Other revenue for 1980 was $194 million, up $65 million from 1979 and $63 million from 1978. Included in other revenue are after-tax earnings of 20%- to 50%-owned affiliates, gains on the sale of residual value of leased equipment, gains and losses on sales of premises, businesses and equity investments.

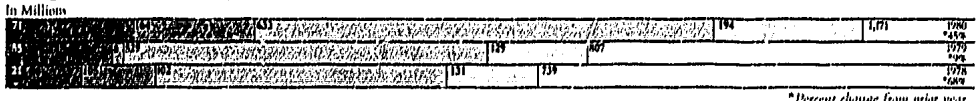
The table below shows the amounts of such revenue for the last three years:

Other Revenue

In Millions	1980	1979	1978
Affiliate Earnings (after-tax) .	$ 55	$ 40	$ 40
Gains on Sale of Residual Value of Leased Equipment .	57	23	11
Gains on Asset Sales	63	47	72
Other Items	20	18	8
Total	$194	$129	$131

Affiliate earnings are ongoing and regular and in 1980 include the earnings from the Saudi American Bank, formerly Citibank's Saudi Arabia branch, which became a 40%-owned affiliate in 1980. Realizations of residual values in Citicorp's large leasing portfolio will also be ongoing, as the values of the underlying assets are regularly realized. Finally, there will always be some sales of assets, including property and equity investments, in a corporation with over $1 billion of premises and equipment. Such realization on sales of assets also demonstrates the inflationary hedge provided by these investments.

Components of Other Operating Revenue



Components of Other Operating Expense

Other Operating Expense

Total other operating expense was $2.6 billion in 1980, an increase of $363 million or 16% over 1979, while 1979 saw expenses grow 17%. Consumer business activities account for approximately one-half of the 1980 increase, down from approximately two-thirds of the $329 million increase in 1979 over 1978. In 1980, financial institutions services expansion and acquisition, primarily related to this activity affected the growth in expenses and account for approximately 3% of the 16% expense increase.

Globally, staff payment expense in 1980 increased $140 million or 12%, compared to $168 million or 17% in 1979. Although the impact of normal compensation increments and higher social security taxes in the United States and global inflationary pressures contributed to the increase, the percentage growth of staff expenses declined from the prior year as a result of the absence of certain staff and executive incentive payments which provide payment only if earnings per share increase.

Premises expense grew 20% to $219 million in 1980 and 14% in 1979. The increases reflect higher depreciation, rental and utility expense including increased energy costs associated with maintaining the large and expanding number of offices where the Corporation conducts business. Approximately one-third of the 1980 increase is attributable to domestic consumer banking with the balance spread among other activities worldwide.

Equipment expense increased $39 million or 28%, compared to $41 million or 42% in 1979. The reduced percentage increase reflects a stabilization of consumer equipment expenditures from the initial rapid growth period of 1977 to 1979.

The growth in other expense was $148 million or 20% in 1980 as compared to $98 million or 16% in 1979. The increase in both years reflects the impact of inflationary pressures, consumer-related expenses and financial institutions services growth in 1980. Consulting fees, as well as advertising and marketing expenses associated with consumer activities, contributed significantly to the growth in other expense in both years.

Applicable Income Taxes

The effective tax rate on income before securities transactions was 39.9% in 1980 compared to 37.5% and 41.7% in 1979 and 1978 respectively. The most significant factor accounting for the higher rates in 1980 and 1978 was the increase in state and local taxable income reflecting a higher mix of earnings in certain higher taxing jurisdictions. 1979 included income from sale of a subsidiary and certain properties which were taxed at capital gains rates.

Securities Transactions

Gains (losses) on securities transactions amounted to an $8 million loss in 1980 compared with losses of $3 million and $12 million in 1979 and 1978 respectively.

Geographic Distribution of Revenue, Earnings and Assets

Citicorp attributes its income before securities transactions to operations based on the domicile of the customer. U.S. possessions are included in their respective geographic areas. In the accompanying table, the United States is included in the North America region which also includes Canada.

U.S. income before securities transactions were $192 million in 1980 and 1979. U.S. profits were aided by increased securities trading profits, gains from sale of premises in New York, the sale of Residual Value Certificates and increased net interest revenue. As previously reported, when determining domestic and international earnings Citicorp's equity capital is attributed to U.S. operations.

International income before securities transactions for 1980 was $315 million, down $36 million from 1979. Increased foreign exchange trading income and less translation losses were offset by higher operating expenses and lower net interest revenues particularly in Europe.

INCOME BEFORE SECURITIES TRANSACTIONS

In Millions	1980		1979		1978		1977		1976	
North America	$192	38%	$193	35%	$144	30%	$ 78	21%	$121	30%
Caribbean, Central and South America	128	25%	150	28%	127	26%	138	36%	108	27%
Europe	26	5%	89	16%	114	24%	96	25%	91	22%
Australia, Asia, Middle East and Africa	161	32%	112	21%	97	20%	69	18%	85	21%
	$507	100%	$544	100%	$482	100%	$381	100%	$405	100%

ASSET QUALITY ANALYSIS

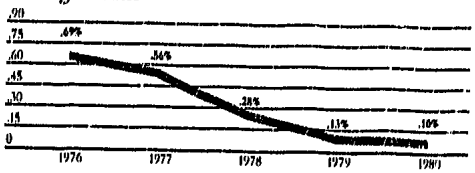
Financial institutions have many risks to manage. Among the most significant are: (1) interest rate risk—the mismatch of the maturity and rate profile of the asset portfolio and the liabilities funding these assets, discussed in the section "Worldwide Net Interest Revenue" on page 19; (2) portfolio risk—the risk of not collecting a loan when it matures, discussed in this section; and (3) liquidity risk—the risk of not having available the funds necessary to meet financial commitments which is discussed in the section "Liquidity Management" on page 29.

Commercial Loan Portfolio Risk Analysis

Citicorp's management philosophy has always emphasized the importance of assets and earnings diversification with respect to geographic areas, currencies, customers, and products. This diversification, referred to as the actuarial base, hedges against adverse impact to the institution from any one event or set of conditions. History has shown that these adverse developments affecting individual countries or industries or particular products tend to be cancelled out by favorable developments in the long run. Citicorp utilizes this strategy of broad diversification in its loan portfolio management in order to better control the amount of unpredictable losses. For example, no single country outside the United States has more than 7% of the total commercial loan portfolio on average in the last three years.

Even so, banks are in the business of measured risk-taking, and losses are part of the normal cost of lending money. In commercial lending, the amount of losses as a percentage of outstanding loans can vary widely from period to period, and is particularly sensitive to fluctuations caused by changing economic conditions. The percentage of loan losses to average loans reached a postwar peak of .83% in 1975, due primarily to the recession in the U.S. in 1973–1975. As the economy has recovered from that recession, so has the loss percentage declined; in 1980 (as shown in the accompanying chart) the percentage was .10% reflecting continued substantial improvement in real estate-related net losses.

Percent of Commercial Loan Losses to Average Loans



Net Loan Losses, In Millions					
	$321	$201	$112	$60	$49

Average Loans, Net of Unearned Discount, in Millions					
	$32,482	$35,815	$39,737	$45,236	$51,034

As well, nonperforming loans have declined to $799 million or 1.5% of the commercial portfolio, well below the high level of 5.8% in 1976. While there may be some deterioration in overall loss experience over the next 12 to 18 months, Citicorp expects its loss experience to remain within the .25% range which our pre-1975 experience would suggest is indicative of usual portfolio losses.

Although Citicorp immediately recognizes as losses all

Commercial Loan Portfolio, Net of Unearned Discount

		1980			1979	
In Millions	Loans at 12/31/80	Average Loans	Net Loan Losses (Recoveries)	Losses to Average Loans	Average Loans	Net Loan Losses (Recoveries)	Losses to Average Loans
Real Estate Loans							
Domestic	$ 2,559	$ 2,322	$(17)	—	$ 1,994	$18	.9%
International	2,391	2,228	(7)	—	1,967	(8)	—
Total	$ 4,950	$ 4,550	$(24)	—	$ 3,961	$10	.3%
Loans to Financial Institutions							
Domestic	$ 1,317	$ 1,264	$ (7)	—	$ 1,261	—	—
International	2,777	2,361	1	—	1,482	—	—
Total	$ 4,094	$ 3,625	$ (6)	—	$ 2,743	—	—
Loans to Governments and Official Institutions—International	$ 5,043	$ 4,670	—	—	$ 4,805	—	—
Commercial and Industrial Loans[1]							
Domestic	$13,903	$12,637	$ 56	.4%	$ 9,799	$26	.3%
International	26,620	25,552	23	.1%	23,928	24	.1%
Total	$40,523	$38,189	$ 79	.2%	$33,727	$50	.1%
Total Commercial Loans	$54,610	$51,034	$ 49	.1%	$45,236	$60	.1%

(1) *Includes loans not otherwise separately categorized.*

loan amounts judged to be uncollectible, historical experience indicates that certain losses exist in the portfolio at a point in time which have not been specifically identified. To anticipate these unidentified losses, the allowance for possible losses on commercial loans is established by charging current earnings with amounts over and above actual net loan losses. No portion of the resulting allowance is in any way allocated or restricted to any individual loans, groups of loans or geographic areas, and the entire allowance is available to absorb losses from any and all commercial loans. In order to assess the risk characteristics of the commercial loan portfolio at year-end 1980, Citicorp believes it is appropriate to view the portfolio according to the elements shown in the accompanying table.

The accompanying classifications of the loan portfolio have been revised from those appearing in last year's annual report to reflect more closely the present management structure and changes in the portfolio mix. Loans to the Public Sector, which included borrowings of governments and official institutions are now presented as Loans to Governments and Official Institutions. Enterprises partially owned by governments or official institutions formerly included in Loans to the Public Sector are now included in the Commercial and Industrial Loan category. In addition, loans to major multinational companies are now included in the Commercial and Industrial Loan category. Loans to Financial Institutions were previously included with Commercial and Industrial Loans.

Real Estate Loans

In 1980, Citicorp experienced a net recovery on real estate loans, continuing a trend of significant improvement in this portfolio segment. The cumulative net losses taken on the problem real estate loans essentially resulting from the 1974 worldwide real estate recession have totaled over $350 million in the period from 1975 to 1980. Active management of much of the underlying real estate has left the Corporation with a real estate loan portfolio of markedly improved risk characteristics. Included in international real estate loans are loans extended to individuals for residential mortgages (approximately $900 million at year-end 1980) that are not managed by the consumer services group. This group of loans generally offers favorable risk characteristics. Real estate loss experience in the next 12 to 18 months is not expected to exceed that experienced in recent years preceding 1980 as problem assets are disposed of and as sound assets with more normal risk characteristics are added to this portfolio.

Loans to Financial Institutions

This group includes a highly diverse portfolio of loans to institutions located throughout the U.S. and overseas. We believe these Citicorp customers represent particularly favorable risk characteristics since they have noteworthy financial strength and credit worthiness, combined with geographical dispersion and business diversity.

During 1980 loans extended to the Financial Institutions business sector averaged $3.6 billion or approximately 7% of the Citicorp loan portfolio. Credit experience on these loans other than REIT's has been excellent over the years, 1980 being no exception, and the risk characteristics of the remaining REIT loans have improved similar to real estate loans. Future losses on loans to financial institutions are expected to be modest, comparing favorably with other lending activities.

Loans to Governments and Official Institutions

Lending to governments and official institutions continues to be an important segment of Citicorp's worldwide commercial loan portfolio. During 1980, loans to governments and official institutions averaged $4.7 billion. At year end, total outstandings stood at $5.0 billion.

Because lending to governments is largely for economically necessary projects and state-owned enterprises, exposure is primarily to the most essential parts of a country's economy. Over 90% of total outstandings are for specific purposes or projects thus minimizing loss potential even in the face of political realignments. In order to maintain the flow of funds to support its basic needs, any country must retain its credit standing in the international marketplace.

Viewed internationally, virtually all of the government and official institutions portfolio exposure is to industrialized countries, oil exporting countries and those developing countries in the higher income brackets.

Citicorp has dealt extensively on an international basis since the beginning of the century. The experience gained in coping with varied political, economic and social changes will enable continued selectivity in lending thereby reducing the likelihood of loss.

Citicorp has experienced no losses from the governments and official institutions sector in recent years and expects that the loss experience will continue below that of commercial and industrial loans (identified in the accompanying table) in the next 12 to 18 months.

Commercial and Industrial Loans

These are largely loans to diversified companies of all sizes throughout the world. Loans to major multinational corporations comprise about 30% of the loans in this category. Indeed, because of the creditworthiness and financial strength of these borrowers, Citicorp has experienced only .2% of losses to average loans in 1980.

Diversification of the portfolio continues to be a key factor in risk assessment. Domestically, the application of this policy is best illustrated in the diversification by

industry. Citibank reports its domestic commercial and industrial loans on a monthly basis to the Federal Reserve Bank of New York by 16 industry categories, and on this basis, loans to no one domestic industry sector exceed 9% of the total domestic commercial loan portfolio.

Overseas the portfolio is highly diversified as to geography, industry, and currency. Loans to local corporations tend to be limited to the larger companies in each of the industries designated as target markets, although asset-based financing has been providing a secured means for expanding into the middle market.

In the aggregate, Citicorp's 1980 loss experience on commercial and industrial loans worldwide continued to be most satisfactory. However, net losses on commercial lending can vary widely from period to period, particularly within any given narrowly defined sector. Over the past three years, loss experience on domestic commercial and industrial loans has ranged between a high of .4% in 1980 and a low of .1% in net recoveries in 1978. Overseas losses have ranged from a high of .3% in 1978 to a low of .1% in 1980.

While loan losses in commercial and industrial lending cannot be accurately predicted, Citicorp expects that, over the next 12 to 18 months its experience will remain within the range experienced in the last three years.

Country Diversification and "Country Risk"

Citicorp's lending outside the United States is broadly diversified among countries. Moreover, because of Citicorp's extensive network of international branches, an unusually large part of this lending, about one half, is in the domestic currency of the borrower. The accompanying table shows the loans in local currency in terms of International Monetary Fund country categories. While there is the normal credit risk on these loans, convertibility and transfer risk is not present since generally local currency lending is also funded locally.

LOCAL CURRENCY LOANS IN OVERSEAS OFFICES

As of December 31, 1980

By Domicile of Borrower[1] In Millions	Local Currency Loans
Industrial Countries	$15,690
Oil Exporting Developing Countries	560
Non-Oil Developing Countries	
Net Oil Exporters	366
Major Exporters of Manufactures	4,554
Other Net Oil Importers	1,039
Low Income	118
Total	$22,327

(1) Country classifications are based on International Monetary Fund definitions

In addition to normal credit risk, other risk factors, frequently referred to as country risk, can arise when Citicorp lends funds in a currency which is foreign to the borrower. One of the major risks associated with this foreign currency lending is the possibility that a borrower may be creditworthy in terms of local currency, but the country's foreign exchange reserves may be insufficient to enable him to obtain the foreign currency necessary to repay the loan. Also, if a borrower's business generates primarily local currency, there is an added risk that devaluation may result in a greater amount of local currency being required to repay the foreign currency loan. Citicorp monitors this foreign currency exposure through a country-by-country reporting process and manages exposure within predetermined limits and maturity sublimits.

These risks can be reduced by guarantees from governments, government agencies, banks or corporations whose domicile is in another country. Further, country risk from foreign currency lending is reduced as the length of the obligation decreases, since shorter maturities permit relatively rapid reductions in exposure as conditions change.

FOREIGN CURRENCY LOANS IN OVERSEAS OFFICES

As of December 31, 1980

By Domicile of Borrower[1] In Millions	Guaranteed Foreign Currency Loans[2]	Other Foreign Currency Loans: Due Within 1 Year	Due Within 1-5 Years	Due After 5 Years	Total
Industrial Countries	$ —	$3,108	$2,761	$1,224	$ 7,093
Centrally Planned Economies	41	109	220	18	347
Oil Exporting Developing Countries	182	1,722	607	108	2,438
Non-Oil Developing Countries					
Net Oil Exporters	94	1,175	843	293	2,312
Major Exporters of Manufactures	255	1,718	2,193	730	4,641
Other Net Oil Importers	157	1,495	974	553	3,022
Low Income	58	73	59	18	149
Total	$787	$9,400	$7,658	$2,945	$20,002

(1) Country classifications are based on International Monetary Fund definitions.
(2) Foreign currency guaranteed loans are guaranteed by governments, government agencies, banks or corporations whose principal domicile is in an industrialized country.

NONPERFORMING LOANS

In Millions	Non-accrual Loans	Renegotiated Loans	1980 Total	1979	1978	1977	Total 1976
Nonperforming Loans							
Domestic							
Real Estate Loans	$113	$ 65	$178	$ 190	$ 308	$ 474	$ 636
Loans to REITs	11	41	52	113	207	313	416
Other Commercial Loans	196	30	226	256	258	193	288
International	334	9	343	536	583	689	691
Total Nonperforming Loans	$654	$145	$799	$1,095	$1,356	$1,669	$2,031
Nonperforming Loans as a % of Commercial Loans			1.5%	2.2%	3.2%	4.2%	5.8%

OTHER REAL ESTATE

In Millions	1980	1979	1978	1977	1976
Other Real Estate*					
Domestic	$135	$ 171	$ 150	$ 167	$ 165
International	30	27	13	15	10
Total Other Real Estate	$165	$ 198	$ 163	$ 182	$ 175

**Real estate acquired in settlement of loans (included in other assets in the financial statements).*

The accompanying table illustrates the extent to which Citicorp's international loan portfolio was exposed to country risk at year end. Using International Monetary Fund definitions, at year-end 1980, of the $20.8 billion in foreign currency loans, $10.3 billion, or almost one half, was to industrialized countries or major oil exporters, or was guaranteed by entities located in the industrial countries. Moreover, of the foreign currency loans outstanding to non-oil developing countries, almost all was to countries in the medium income range. Only about $150 million, or less than 1 percent, of total foreign currency loans represented unguaranteed lending to borrowers in low income developing countries.

With regard to maturity, $9.4 billion, or 47% of unguaranteed foreign currency loans mature within one year, and 85% matures within five years.

Nonperforming Loans

Nonperforming loans at year-end 1980 were $799 million, a decrease of $296 million or 27%, compared to a 19% decline in 1979. These decreases are primarily the result of principal payments received, transfers of various loans to full-earning status and loan charge-offs partially offset by new additions to the nonperforming classification. Reflecting the growth in the commercial loan portfolio and the reduction in nonperforming loans, nonperforming loans as a percentage of total commercial loans were approximately 1.5% at December 31, 1980, compared with 2.2% at December 31, 1979 and 3.2% at year-end 1978.

If Citicorp's management considers that a borrower does not have the ability to meet the original contractual terms of the loan, that loan is classified as nonperforming. Nonperforming loans are either placed on a nonaccrual basis, where income is recognized only to the extent cash is received, or renegotiated to a reduced rate of interest. Renegotiated loans are those nonperforming loans that continue on an accrual basis but at a rate of interest below that originally contracted.

Consumer Loan Portfolio Risk Analysis

During 1980, Citicorp's consumer loan portfolio grew by $2.3 billion or 17% over year-end 1979. This growth was less than the previous year's increase of 38% or $3.6 billion. The Federal credit controls imposed for a period in the spring and the higher cost of money both served as a restraint on borrowing in 1980. Consumer loan losses in 1980, net of recoveries, were $195 million compared with $125 million in 1979 when net loan losses were lowered by $25 million as a result of a change in the write-off policy of an overseas subsidiary to reflect a more realistic estimate of credit losses and recoveries.

Loan losses as a percent of average loans were 1.33% in 1980, essentially the same as 1979 at 1.31% but somewhat above the historical range of .90% to 1.1%.

The level of losses in a consumer portfolio is impacted

by the quality of the selection, the administration of the portfolio including collections process, and by the mix and source of the receivables. In addition, external forces such as unemployment and the effects of recession impact the level of loan losses.

During the past three years, the Corporation has made a substantial effort to upgrade the quality of its portfolio. In 1980, with consumer pricing at less than optimum levels as a result of some usury ceilings, few new consumer loans were put on the books in the United States. Those that were put on were of a very high quality level. Collection processes have been strengthened in virtually all of the businesses.

Domestic Portfolio

The $10.1 billion average domestic portfolio accounts for two-thirds of Citicorp's consumer loans. Within this $10.1 billion portfolio, the individual products have a substantially different rate of loss. Typically, the card based revolving products such as VISA, Master Card, Carte Blanche, the private label retail cards, and the larger lines of unsecured, open end credit—all have a high risk of write-off. The secured, home mortgage based products perform much better. The domestic consumer portfolio has been segmented into three distinct categories of products—higher, medium and lower risk. In 1980, the write-off levels on these three segments are as follows:

	Average Loans In Billions	Net Losses In Millions	%
Higher Risk	$ 3.8	$147	3.8
Medium Risk	0.7	6	1.0
Lower Risk	5.5	11	0.2
Total	$10.1	$164	1.6

In the last three years, the higher risk segment of the portfolio has been declining as a percent of the total.

Percent	1980	1979	1978
Higher Risk	38.6	42.8	43.5
Medium Risk	6.2	5.9	5.9
Lower Risk	55.2	51.3	50.6
Total	100.0	100.0	100.0

It is anticipated that this trend will continue and that loan losses domestically as a percentage of average loans will be reduced as a result.

Offsetting this trend, and a serious factor in the 1980 results is the impact of the recession on loan losses. Traditionally, loan losses of major consumer portfolios have risen from 25%–40% during periods of recession. The 1980 recession, with its high rates of unemployment in selected areas, impacted Citicorp's consumer portfolio. The new bankruptcy law enacted in late 1979 further contributed to a higher rate of consumer loan losses. Nationwide, individual bankruptcies are up over 80%. Bankruptcies accounted for $30 million of the 1980 loan loss figure. Many of these consumers had been meeting their obligations until the moment of filing for bankruptcy, making this impact difficult to forecast. If the economy recovers in 1981 and if the excesses of the present law and its administration can be curbed, these losses should decline in the future.

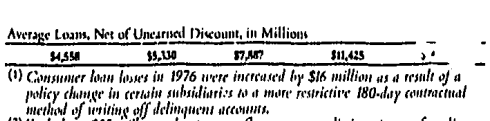
International Portfolio

Citicorp's overseas portfolio averaged $4.6 billion in 1980, diversified primarily among the major industrial countries of Europe and Asia. The breakdown of the portfolio by country and by region is as follows:

	Europe			Asia-Pacific			Latin America		
	Loans In Billions	%		Loans In Billions	%		Loans In Billions	%
Germany	$1.9	38	Australia	$0.6	17	Puerto Rico	$0.3	6
Belgium	0.6	11	Hong Kong	0.4	7	Other	0.1	3
U. K.	0.4	8	Other	0.1	4			
Other	0.3	6						
Total	$3.2	63		$1.1	28		$0.4	9

The major products abroad include personal loans (47%), automobile loans (21%) and mortgages (18%). Write-offs in 1980 have been in line with historical experience, at .68% of the portfolio, distributed on an actuarially predictable basis within the major portfolios overseas. Over the next 12–18 months it is expected that overseas losses as a percentage of average loans will remain below that experienced domestically.

Percent of Consumer Loan Losses to Average Loans



Net Loan Losses In Millions				
$68(1)	$95	$94	$150(1)	$195
Average Loans, Net of Unearned Discount, in Millions				
$4,558	$5,330	$7,587	$11,425	

(1) *Consumer loan losses in 1976 were increased by $16 million as a result of a policy change in certain subsidiaries to a more restrictive 180-day contractual method of writing off delinquent accounts.*
(2) *Excludes a $25 million reduction to reflect a more realistic estimate of credit losses and recoveries of an overseas subsidiary.*

LIQUIDITY AND CAPITAL FUNDS ANALYSIS

Liquidity Management

In modern banking terms, "liquidity" simply means being able to meet every financial commitment, when due, whether it be a withdrawal from a checking account, a maturing Eurodollar deposit, or a maturing issue of commercial paper. Achieving liquidity was once simply a matter of selling short-term assets. Today, for money center banks especially, it is primarily a matter of accessing the money markets to meet incremental funding needs, and managing the rollover of maturing liabilities, that is, managing the maturity structure of the liability portfolio.

Advanced communication technology has molded the world into a single marketplace for money. Funds today can be as readily acquired in London, Frankfurt, Bahrain or Hong Kong as in New York, Chicago or San Francisco—provided the financial institution has earned a reputation that gives it access to global money markets. If a market perceives a bank to be a well-managed, ongoing business, that institution will be able to buy sufficient funds to meet all of its obligations at prevailing market rates.

Today, banks with proven market skills and ready access to funds in the world markets have less need to provide liquidity through holdings of cash and government securities. For Citicorp and most other major money center banking entities, the existing portfolio of U.S. Government securities in most cases has already provided liquidity through a fund-raising process known as "repurchase agreements," which results in obtaining funds at a lower rate than would otherwise be available. Securities that have not been "repo'd" are likely to be pledged to secure certain types of deposits, particularly trust funds and states and municipalities. Furthermore, even though the U.S. Government securities portfolio might represent a small percentage of the total balance sheet of a money center bank, its absolute size may be too large to be liquidated in its entirety in a short time at an acceptable price.

In a very short time frame, money center banks are better able to manage liquidity on the liability side of the balance sheet than on the asset side because liquidity on the asset side is to a large extent determined by customer demand and market terms. Lengthening the maturity of liabilities may add incremental cost, but it significantly increases liquidity.

Since liquidity hinges on controlling the daily need for new funds, bankers must monitor this need to be certain the anticipated gap that results from the inflow and outflow of funds is always manageable. This process involves daily decision making about the need for and the availability of funds.

On a current basis, the need for funds is managed by limiting the amount of short-term money market borrowings that mature each day to make sure that daily cash needs can be raised in the market.

Over the long term, borrowings should anticipate business and interest rate cycles. When market conditions permit, and the level of interest rates appears favorable, liquidity is improved by selling long-term debt and by generally lengthening maturities. Bank management can also improve liquidity by diversifying more widely the sources of funds by lender/depositor as well as maturity, geography and currency. Such diversification over a wide actuarial base enables a bank to tap liquidity wherever in the world it appears and, thus, reduce risk. Available liquidity can also be thought of in terms of the ability of a financial intermediary to borrow from the market at any time an amount in excess of its current needs.

During 1980 Citicorp continued to apply the policy of lengthening maturities of both U.S. dollar and foreign currency liabilities. Specific examples of actions under this policy include the following issues: Euro $300 million, 10% Notes due 1986; Euro $200 million, 12% Notes due 1987; Euro $200 million Floating Rate Notes with no fixed maturity, repayable at the option of the holder and/or the issuer commencing 1982 and 1986 respectively; $250 million Floating Rate Notes due 2010, repayable at the option of the holder and/or the issuer commencing 1982 and 1985 respectively; (Br. Pound) 50 million, 13.5% Sinking Fund Bonds due 1990; and $250 million, 10.875% Fixed Rate Notes due 2010, with a mandatory sinking fund starting in 1991.

At Citicorp, we believe the most effective way to raise billions of dollars of funds daily in the money markets of the world is to have highly trained market-tested treasurers in every market and to give them authority which enables them to exercise market judgment and make their own decisions. This decentralized treasury structure is controlled through a centralized system of monitoring and reporting to ensure compliance with corporate policies, adherence to limits and to maintain, at all times, adequate worldwide liquidity.

Capital Management

Total assets rose to $115 billion at year-end 1980, an increase of 8% or $9 billion from the $106 billion a year ago, and compared with an average annual growth in assets of 13% during the prior five year period. This year's slower growth rate of assets is the result of management's decisions to reduce Deposits at Interest with Banks, to temporarily curtail the growth rate of these lower yielding assets and the impact of the Federal Reserve Board's Credit Restraint Program, which was in effect during the period March-July.

Capital funds comprised of common stockholders' equity, preferred stock, convertible notes and long-term debt with an original maturity of 15 years or more increased $636 million, or 10.8% from year-end 1979 to

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year-end 1980. Stockholders' equity increased primarily from retained earnings but also from the sale of stock to employees offset by a repurchase of 2 million common shares in the first quarter of 1980, for $43 million or an average of $21.49 per share to meet ongoing commitments under employee stock ownership programs. However, the future cumulative dividend savings on these 2 million shares is expected to be more than $43 million by 1989.

In November 1980, Citicorp issued for the first time, through a private placement, $40 million of redeemable adjustable rate preferred stock due in the year 2013. The decision to issue redeemable rather than perpetual preferred stock was the result of an extensive analysis which concluded that from a long-term equity generation point of view the contribution to retained earnings from a redeemable preferred stock issue is both larger and faster than from a comparable perpetual preferred stock issue. A perpetual preferred stock issue would normally require a higher dividend rate and therefore the issuance of redeemable preferred stock results in dividend savings that are more than sufficient to completely repay the redeemable preferred stock issue.

Long-term debt with an original maturity of 15 years or more increased $305 million primarily from the issuance of $250 million, 10.875% fixed rate notes due 2010 and $60 million in adjustable rate notes due 2012.

As previously mentioned, Citicorp has issued long-term debt and preferred stock in the past and plans to continue to do so in the future as market conditions permit and as the Corporation's businesses grow.

In 1972 Citibank published a pioneering work by George Vojta, now Executive Vice President, on the subject of bank capital adequacy. In November 1980 Citicorp again examined the subject under the title "Evolving Concepts of Bank Capital Management." The fundamental finding emerging from this study is that the stability of a banking institution, and therefore of the entire banking system, rests not on the level of capital so much as liquidity, the day-to-day access to funding markets. While adequate capital and a sound earnings record are necessary to enable the institution to have access to adequate liquidity at all times, liquidity itself is the most important strength of a bank to assure its viability day in and day out. Therefore, Citicorp advocates that capital adequacy should be evaluated in terms of liquidity rather than traditional capital-ratio norms. The publication also addresses the issue of defining bank capital for analytical and planning purposes and proposes that capital encompass, in addition to common stockholders' equity—which is the ultimate governor of the institution's asset growth—perpetual and redeemable preferred stock, the loan loss reserve, convertible notes and long-term debt that meets Citicorp's debt-earn-back test.

Detailed discussions of the interrelationship between liquidity and capital management and Citicorp's "total capital" approach appear in "Evolving Concepts of Bank Capital Management" which is available by writing to: Citicorp Investor Relations, Box 0665, New York, New York 10043.

CONDENSED CONSOLIDATED BALANCE SHEET

Citicorp and Subsidiaries

In Millions	December 31, 1980 Amount	% Change	December 31, 1979 Amount	% Change	December 31, 1978 Amount	% Change
Assets						
Cash and Due from Banks	$ 6,840	14	$ 6,002	(17)	$ 7,252	1
Deposits at Interest with Banks	12,892	(28)	17,484	49	11,737	(5)
Securities	9,627	24	7,759	41	5,513	1
Loans, Net						
Commercial	$ 54,231	10	$ 49,189	15	$42,599	9
Consumer	15,664	17	13,348	38	9,701	62
Other Assets	15,946	27	12,509	10	11,393	62
Total	$114,920	8	$106,371	21	$88,195	14
Liabilities						
Deposits	$ 71,771	2	$ 70,2[illegible]	13	$62,119	12
Funds Borrowed and Other Liabilities	33,276	19	27,981	42	19,636	24
Intermediate-Term Debt	3,351	50	2,233	29	1,726	10
Long-Term Debt and Convertible Notes	2,571	13	2,268	48	1,528	26
Preferred Stock	40	—	—	—	—	—
Common Stockholders' Equity	$ 3,891	8	$ 3,598	13	$ 3,186	11
Total	$114,920	8	$106,371	21	$88,195	14
Total Capital Funds	$ 6,502	11	$ 5,866	24	$ 4,714	16

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SUPPLEMENTARY INFLATION ADJUSTED DATA

The following presentation illustrates certain aspects of how inflation affects Citicorp, and is intended to supplement and help explain, but not replace, the basic historical financial statements. The audited financial statements and other traditional financial data included in this report continue to represent Citicorp's actual operating results. The inflation-adjusted data are restated to reflect the effects of general inflation using the constant dollar method of accounting, with the Consumer Price Index for All Urban Consumers being used to show data in average 1980 dollars. These adjusted data do not represent an all-encompassing or precise quantification of the impact of inflation; accordingly, they must be read in conjunction with all of the other financial information throughout this annual report to obtain a broad understanding, including the discussion of interest rate risk.

1980 CONSTANT DOLLAR DATA

In Millions	
Net income, as reported in the consolidated statement of income	$499
Adjustment to restate depreciation for the effects of general inflation*	(59)
Net income, adjusted for general inflation	$440
Purchasing power loss on net monetary assets in 1980*	$ 82

**Adjustments reflecting the effects of general inflation do not assume any income tax benefit.*

The assets and liabilities of a financial institution are primarily monetary in nature. As such, they represent obligations to pay or receive fixed and determinable

FINANCIAL DATA RESTATED FOR THE EFFECTS OF GENERAL INFLATION

In Millions, Except Per Share Data; Restated Amounts are in Average 1980 Dollars	1980	1979	1978	1977	1976
Net Interest and Other Operating Revenue					
As reported	$3,716	$3,316	$2,995	$2,341	$2,237
Restated for general inflation	3,716	3,764	3,782	3,183	3,238
Income Before Securities Transactions					
As reported	$ 507	$ 544	$ 482	$ 381	$ 405
Restated for general inflation	448	560	553	466	552
Net Income					
As reported	$ 499	$ 541	$ 470	$ 374	$ 401
Restated for general inflation	440	557	538	456	547
Net Assets at Year-End					
As reported	$3,891	$3,598	$3,186	$2,863	$2,661
Restated for general inflation	4,413	4,527	4,290	4,049	3,932
Purchasing Power Loss on Net Monetary Assets(1)	$ 82	$ 135	$ 135	$ 89	$ 42
Per Share					
Income Before Securities Transactions(2)					
As reported	$ 4.08	$ 4.36	$ 3.88	$ 3.05	$ 3.24
Restated for general inflation	3.58	4.46	4.44	3.73	4.42
Net Income(2)					
As reported	4.02	4.34	3.79	2.99	3.21
Restated for general inflation	3.52	4.43	4.32	3.65	4.38
Cash Dividends Declared					
As reported	1.42	1.30	1.16	1.06	.96
Restated for general inflation	1.42	1.48	1.47	1.44	1.39
Market Price at Year-End					
As reported	24.25	23.75	23.50	22.88	32.75
Restated for general inflation	23.16	25.50	28.58	30.34	46.37
Average Consumer Price Index (1967 = 100)	246.8	217.4	195.4	181.5	170.5

(1) Premises and equipment and net trading account securities, among other items, are treated as nonmonetary items.
(2) On common and common equivalent shares.
(3) Current cost information, which shows the effect of changing prices of specific goods and services used by a company, has not been presented because such information does not differ significantly from the constant dollar data.

amounts of money which are not affected by future changes in prices. During periods of inflation, monetary assets lose value in terms of purchasing power, while monetary liabilities have corresponding purchasing power gains. Since monetary assets of a financial institution will normally exceed monetary liabilities, a net purchasing power loss will result during periods of inflation. However, the assets of a financial institution also include assets such as premises and residual values of leased equipment that are not subject to a decline in purchasing power over time and therefore serve as a hedge against inflation.

In a free market, banks are fully able to cope with inflation by pricing their products to recoup the loss in purchasing power of monetary assets through the achievement of adequate margins. However, legislative and regulatory constraints have until recently placed artificial limits on the interest rates paid on consumer deposits and the rates collected on loans. During 1980, our ability to effectively and profitably price and compete in the future improved considerably when Congress passed the Monetary Decontrol Act and New York State dismantled its usury statute.

As discussed more fully elsewhere in this annual report, Citicorp's earnings declined in 1980, and the table on page 31 shows a greater decline between 1979 and 1980 when income is restated for the effects of general inflation. Other key indicators restated for general inflation such as revenue, net assets and dividends showed growth over the five-year period ending in 1980 despite record levels of inflation.

FINANCIAL REPORTING RESPONSIBILITY

The accompanying financial statements have been prepared by the management of Citicorp in conformity with generally accepted accounting principles appropriate in the circumstances. Where amounts must be based on estimates and judgments, they represent the best estimates and judgments of management. The financial information appearing throughout this annual report is consistent with that in the financial statements.

The accounting system and related internal accounting controls of Citicorp are designed to provide reasonable assurance that the financial records are reliable for preparing financial statements and maintaining accountability for assets and that assets are safeguarded against loss from unauthorized use or disposition. The system in use at Citicorp provides such reasonable assurance, supported by the careful selection and training of staff, the establishment of organizational structures providing an appropriate and well-defined division of responsibilities, and the communication of policies and standards of business conduct throughout the institution.

The accounting policies and system of internal accounting controls are under the general oversight of the Citicorp and Citibank Boards of Directors, acting through the Accounting, Audit and Examining Committees described on page 12. These committees are comprised entirely of directors who are not officers or employees of Citicorp. The Chief Auditor of Citicorp, who reports directly to the Board of Directors, conducts an extensive program of audits and risk asset reviews worldwide, carried out by a staff of resident inspectors and reviewers and traveling teams. In addition, Peat, Marwick, Mitchell & Co., independent certified public accountants, is engaged to examine our financial statements.

Peat, Marwick, Mitchell & Co. obtains and maintains an understanding of our accounting and financial controls and conducts such tests and other auditing procedures as they consider necessary in the circumstances to express the opinion in their report that follows. Peat, Marwick, Mitchell & Co. has free access to the Audit and Examining Committees, with no members of management present, to discuss their examination and their findings as to the integrity of Citicorp's financial reporting and the adequacy of the system of internal accounting controls.

REPORT OF INDEPENDENT AUDITORS

Peat, Marwick, Mitchell & Co.

The Board of Directors and Stockholders of Citicorp:

We have examined the consolidated balance sheet of Citicorp and subsidiaries, the balance sheet of Citicorp (parent company only) and the combined balance sheet of Citicorp (parent company only) subsidiaries other than banks as of December 31, 1980 and 1979, the related statements of income, changes in common stockholders' equity and changes in financial position for each of the three years in the period ended December 31, 1980, and the consolidated balance sheet of Citibank, N. A. and subsidiaries as of December 31, 1980 and 1979. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the consolidated financial position of Citicorp and subsidiaries, the financial position of Citicorp (parent company only) and the combined financial position of Citicorp (parent company only) subsidiaries other than banks at December 31, 1980 and 1979, and the results of their operations and the changes in their financial position for each of the three years in the period ended December 31, 1980, and the consolidated financial position of Citibank, N. A. and subsidiaries at December 31, 1980 and 1979, in conformity with generally accepted accounting principles applied on a consistent basis.

Peat, Marwick, Mitchell & Co.

New York, New York
January 20, 1981

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

Citicorp and Subsidiaries

In Millions Except Per Share Amounts	1980	1979	1978
Interest Revenue			
Interest and Fees on Loans	$ 9,958	$ 7,640	$5,227
Interest on Deposits with Banks	1,782	1,549	940
Interest on Federal Funds Sold and Securities Purchased Under Resale Agreements	331	260	107
Interest and Dividends on Investment Securities (Note 1)	576	350	322
Interest on Trading Account Securities, Net	156	114	51
Lease Financing Revenue	237	185	170
	$13,040	$10,098	$6,817
Interest Expense			
Interest on Deposits	$ 7,401	$ 5,551	$3,513
Interest on Other Borrowed Money (Notes 6 and 7)	2,846	1,839	941
Interest on Long-Term Debt and Convertible Notes (Notes 8 and 9)	248	199	107
	$10,495	$ 7,589	$4,561
Net Interest Revenue	$ 2,545	$ 2,509	$2,256
Loan Loss Expense			
Provision for Possible Losses on Commercial Loans (Note 2)	$ 86	$ 83	$ 171
Consumer Credit Loss Expense (Note 3)	$ 212	$ 151	$ 115
Net Interest Revenue After Loan Loss Expense	$ 2,247	$ 2,275	$1,970
Other Operating Revenue			
Fee and Commission Revenue	$ 633	$ 529	$ 402
Trading Account Profits and Commissions	71	55	21
Investment Management and Agency Fees	109	88	60
Foreign Exchange Profits and Commissions	164	6	105
Other Revenue	194	129	131
	$ 1,171	$ 807	$ 739
Other Operating Expense			
Salaries	$ 1,087	$ 929	$ 788
Staff Benefits (Note 14)	220	238	211
Total Staff Expense	$ 1,307	$ 1,167	$ 999
Net Premises Expense (Notes 4 and 20)	219	183	161
Equipment Expense (Notes 4 and 20)	177	138	97
Other Expense	871	723	625
	$ 2,574	$ 2,211	$1,882
Income Before Taxes and Securities Transactions	$ 844	$ 871	$ 827
Applicable Income Taxes (Note 15)	337	327	345
Income Before Securities Transactions	$ 507	$ 544	$ 482
Gains (Losses) on Securities Transactions after Tax of $(6) in 1980, $(2) in 1979 and $(11) in 1978	(8)	(3)	(12)
Net Income	$ 499	$ 541	$ 470
Earnings Per Share (Note 16)			
On Common and Common Equivalent Shares			
Income Before Securities Transactions	$4.08	$4.36	$3.88
Net Income	$4.02	$4.34	$3.79
Assuming Full Dilution			
Income Before Securities Transactions	$3.89	$4.15	$3.70
Net Income	$3.83	$4.13	$3.61

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

Citicorp and Subsidiaries

In Millions of Dollars	December 31 1980	December 31 1979
Assets		
Cash and Due from Banks	$ 6,840	$ 6,002
Deposits at Interest with Banks	12,592	17,484
Investment Securities (Market value $6,354 and $4,669 in 1980 and 1979, respectively) (Note 4)	6,695	4,816
Trading Account Securities	2,932	2,943
Federal Funds Sold and Securities Purchased Under Resale Agreements	3,242	1,813
Loans, Net (Notes 2 and 3)		
Commercial (Net of allowance for possible losses on loans of $359 and $328 and unearned discount of $420 and $270 in 1980 and 1979, respectively)	$ 54,251	$ 49,189
Consumer (Net of allowance for credit losses of $147 and $129 and unearned discount of $3,057 and $2,448 in 1980 and 1979, respectively)	15,664	13,348
Total Loans, Net	$ 69,915	$ 62,537
Lease Financing	1,848	1,549
Customers' Acceptance Liability	5,369	3,629
Premises and Equipment (Note 4)	1,223	1,127
Interest and Fees Receivable	1,831	1,820
Other Assets	2,433	2,651
Total	$114,920	$106,371
Liabilities		
Demand Deposits in Domestic Offices	$ 10,075	$ 8,812
Time Deposits in Domestic Offices (Note 5)	10,038	8,704
Deposits in Overseas Offices (Note 19)	51,658	52,775
Total Deposits	$ 71,771	$ 70,291
Purchased Funds and Other Borrowings (Note 6)	22,529	18,438
Acceptances Outstanding	5,370	3,808
Accrued Taxes and Other Expenses (Note 15)	1,987	2,153
Other Liabilities	3,410	3,582
Intermediate-Term Debt (Original maturities from one to 15 years) (Note 7)	3,351	2,233
Long-Term Debt (Original maturities of 15 years or more) (Note 8)	2,216	1,911
Convertible Notes (Note 9)	355	357
Preferred Stock (Note 10)	40	—
Common Stockholders' Equity		
Common Stock ($4.00 Par) (Note 11) Issued Shares: 130,378,410 in 1980; 129,872,194 in 1979	$ 522	$ 520
Surplus	772	765
Retained Earnings (Note 12)	2,760	2,435
Common Stock in Treasury, at Cost Shares: 7,743,083 in 1980; 5,978,182 in 1979	(163)	(122)
Total Common Stockholders' Equity	$ 3,891	$ 3,598
Total	$114,920	$106,371

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN COMMON STOCKHOLDERS' EQUITY

In Millions of Dollars	Citicorp and Subsidiaries Citicorp (Parent Company Only) 1980	1979	1978
Common Stock (Note 11)			
Balance at Beginning of Year	$ 520	$ 514	$ 512
Shares: 129,872,194 in 1980; 128,470,016 in 1979; and 128,071,890 in 1978			
Issuance of Stock under Staff Incentive, Stock Option and Stock Purchase Plans and Conversion of Convertible Notes (Notes 9 and 14)	2	6	2
Shares: 506,216 in 1980; 1,402,178 in 1979; and 398,126 in 1978			
Balance at End of Year	$ 522	$ 520	$ 514
Shares: 130,378,410 in 1980; 129,872,194 in 1979; and 128,470,016 in 1978			
Surplus			
Balance at Beginning of Year	$ 765	$ 737	$ 730
Issuance of Stock under Staff Incentive, Stock Option, Stock Purchase and Executive Incentive Compensation Plans and Conversion of Convertible Notes (Notes 9 and 14)	9	28	7
Acquisition of Companies	(2)	–	–
Balance at End of Year	$ 772	$ 765	$ 737
Retained Earnings (Note 12)			
Balance at Beginning of Year	$2,435	$2,054	$1,726
Net Income	499	541	470
Cash Dividends Declared	(174)	(160)	(142)
Balance at End of Year	$2,760	$2,435	$2,054
Common Stock in Treasury, at Cost			
Balance at Beginning of Year	$ (122)	$ (119)	$ (105)
Shares: 5,978,182 in 1980; 5,874,656 in 1979; and 5,259,249 in 1978			
Acquisition of Companies	12	–	–
Shares: 565,686 in 1980			
Other Treasury Stock Transactions, at Cost (Note 14)	(53)	(3)	(14)
Shares: 2,330,587 in 1980; 103,526 in 1979; and 615,407 in 1978			
Balance at End of Year	$ (163)	$ (122)	$ (119)
Shares: 7,743,083 in 1980; 5,978,182 in 1979; and 5,874,656 in 1978			
Common Stockholders' Equity			
Balance at Beginning of Year	$3,598	$3,186	$2,863
Changes during the Year, Net	293	412	323
Balance at End of Year	$3,891	$3,598	$3,186

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Citicorp and Subsidiaries

In Millions	1980	1979	1978
Funds Provided			
Net Income	$ 499	$ 541	$ 470
Increase in			
Deposits	1,480	8,172	6,468
Purchased Funds and Other Borrowings Net of Federal Funds Sold and Securities Purchased Under Resale Agreements	2,662	6,765	1,249
Intermediate-Term Debt	1,118	507	160
Long-Term Debt	305	741	320
Preferred Stock	40	—	—
Decrease in			
Cash and Due from Banks and Deposits at Interest with Banks	4,054	—	539
Other, Net	—	762	—
Total	$10,158	$17,488	$9,206
Funds Used			
Cash Dividends Declared	$ 174	$ 160	$ 142
Increase in			
Cash and Due from Banks and Deposits at Interest with Banks	—	4,497	—
Securities	1,868	2,246	77
Loans, Net	7,378	10,237	7,166
Lease Financing	299	205	117
Premises and Equipment	96	143	164
Other, Net	343	—	1,540
Total	$10,158	$17,488	$9,206

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

STATEMENT OF INCOME

Citicorp (Parent Company Only)

In Millions	1980	1979	1978
Revenue			
Dividends from Subsidiaries			
Citibank, N.A. (Note 13)	$ 229	$192	$176
Other	—	39	—
Interest from Subsidiaries			
Citibank, N.A. and Other Banks	243	166	90
Other	552	380	148
Interest on Investment Securities	146	23	—
Other Interest	3	22	4
Other Revenue	1	30	4
	$1,274	$852	$422
Expense			
Interest on Commercial Paper (Note 6)	$ 589	$373	$161
Interest on Repurchase Agreements and Other Funds Borrowed	267	83	16
Interest and Fees Paid to Subsidiaries Other Than Banks	207	66	23
Interest on Intermediate-Term Debt (Note 7)	55	40	41
Interest on Long-Term Debt and Convertible Notes (Notes 8 and 9)	207	166	101
Other Expense	8	5	5
	$1,333	$735	$347
Income (Loss) before Taxes, Equity in Undistributed Income of Subsidiaries and Securities Transactions	$ (59)	$117	$ 75
Applicable Income Tax Benefit (Expense)—Current			
Federal	$ 98	$ 12	$ 39
State and Local	70	52	(1)
	$ 168	$ 64	$ 38
Income before Equity in Undistributed Income of Subsidiaries and Securities Transactions	$ 109	$181	$113
Equity in Undistributed Income of Subsidiaries Excluding Undistributed Securities Transactions			
Citibank, N.A. and Other Banks	383	343	320
Other	15	20	49
Income Before Securities Transactions	$ 507	$544	$482
Gains (Losses) on Securities Transactions after Tax of $3 in 1980 and $6 in 1979	2	6	—
Equity in Undistributed Securities Transactions of Subsidiaries			
Citibank, N.A. and Other Banks after Tax of $(9) in 1980, $(8) in 1979 and $(11) in 1978	(10)	(9)	(12)
Net Income	$ 499	$541	$470

BALANCE SHEET

Citicorp (Parent Company Only)

In Millions of Dollars	December 31 1980	December 31 1979
Assets		
Cash on Deposit with Subsidiary Banks, principally interest bearing	$ 2,526	$ 1,560
Deposits at Interest with Banks	5	20
Investment Securities at Cost (Market value $1,672 and $1,027 in 1980 and 1979, respectively)	1,777	1,031
Advances to Subsidiaries Other Than Banks (Note 21)	5,170	1,668
Investments in Subsidiaries		
Citibank, N.A. and Other Banks (Note 13)	4,838	4,440
Other Subsidiaries (Note 21)	2,212	1,034
Other Assets	243	221
Total	$16,771	$12,974
Liabilities		
Commercial Paper Outstanding (Note 6)	$ 4,935	$ 3,889
Securities Sold Under Repurchase Agreements (Note 6)	1,542	994
Other Funds Borrowed	1,186	516
Accrued Expenses and Other Liabilities	960	918
Advances from Subsidiaries Other Than Banks	1,568	771
Intermediate-Term Debt (Original maturities from one to 15 years) (Note 7)	434	381
Long-Term Debt (Original maturities of 15 years or more) (Note 8)	1,860	1,550
Convertible Notes (Note 9)	355	357
Preferred Stock (Note 10)	40	—
Common Stockholders' Equity		
Common Stock ($4.00 par) (Note 11)		
Issued Shares: 130,378,480 in 1980; 129,872,094 in 1979	$ 522	$ 520
Surplus	772	765
Retained Earnings (Note 12)	2,760	2,435
Common Stock in Treasury, at cost	(163)	(122)
Shares: 7,743,083 in 1980; 5,978,182 in 1979		
Common Stockholders' Equity	$ 3,891	$ 3,598
Total	$16,771	$12,974

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION

Citicorp (Parent Company Only)

In Millions	1980	1979	1978
Funds Provided			
Net Income	$ 499	$ 541	$ 470
Deduct Equity in Undistributed Net Income of Subsidiaries	388	354	356
Funds Derived from Operations	$ 111	$ 187	$ 114
Increase in			
Commercial Paper, Repurchase Agreements and Other Funds Borrowed	2,264	2,209	1,561
Accrued Expenses and Other Liabilities	42	52	133
Advances from Subsidiaries Other Than Banks	797	771	–
Long-Term Debt	310	500	200
Intermediate-Term Debt	53	–	–
Preferred Stock	40	–	–
Total	$3,617	$3,719	$2,008
Funds Used			
Cash Dividends Declared	$ 174	$ 160	$ 142
Investments in Subsidiaries			
Citibank, N.A. and Other Banks	25	129	113
Other	1,164	441	92
Increase in			
Cash and Deposits at Interest with Banks	951	22	704
Advances to Subsidiaries Other Than Banks	502	1,785	867
Investment Securities	746	1,031	–
Decrease in			
Intermediate-Term Debt	–	111	48
Other, Net	55	40	42
Total	$3,617	$3,719	$2,008

CONSOLIDATED BALANCE SHEET

Citibank, N.A. and Subsidiaries

In Millions of Dollars	December 31 1980	December 31 1979
Assets		
Cash and Due from Banks	$ 6,617	$ 5,854
Deposits at Interest with Banks	12,312	17,348
Investment Securities (market value $4,415 and $3,429 in 1980 and 1979, respectively)	4,601	3,569
Trading Account Securities	2,884	2,894
Federal Funds Sold and Securities Purchased Under Resale Agreements	3,226	1,851
Loans	62,320	56,576
Less:		
Allowance For Loan Losses	(373)	(358)
Unearned Discount	(1,592)	(1,367)
Loans, Net	$ 60,355	$54,851
Lease Financing	1,608	1,379
Customers' Acceptance Liability	5,369	3,620
Premises and Equipment	1,018	1,012
Interest and Fees Receivable	1,619	1,675
Other Assets	2,001	2,103
Total	$101,610	$96,156
Liabilities		
Demand Deposits in Domestic Offices	$ 9,829	$ 8,651
Time Deposits in Domestic Offices	9,824	8,576
Deposits in Overseas Offices	52,508	53,308
Total Deposits	$ 72,161	$70,535
Purchased Funds and Other Borrowings	14,109	12,397
Acceptances Outstanding	5,370	3,799
Accrued Taxes and Other Expenses	1,947	1,998
Other Liabilities	2,217	2,326
Intermediate-Term and Long-Term Debt	1,358	1,095
Stockholders' Equity (Note 13)		
Capital Stock ($20.00 par)	$ 751	$ 751
Outstanding Shares: 37,534,553 in both years		
Surplus	1,050	1,046
Retained Earnings	2,637	2,209
Total Stockholders' Equity	$ 4,438	$ 4,006
Total	$101,610	$96,156

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

COMBINED BALANCE SHEET

Citicorp (Parent Company Only)
Subsidiaries Other Than Banks

In Millions	December 31 1980	December 31 1979
Assets		
Cash on Deposit with		
Affiliate Banks	$ 151	$ 164
Other Banks	37	37
Deposits at Interest with		
Affiliate Banks	699	899
Other Banks	299	119
Securities (Approximates Market)	293	198
Advances to Citicorp	1,568	771
Loans and Receivables, Net (Note 21)	6,780	5,081
Premises and Equipment	148	99
Other Assets	400	334
Total	$10,375	$7,702
Liabilities		
Deposits	$ 238	$ 36
Advances from Citicorp and Affiliates (Note 21)	8,242	4,960
Purchased Funds and Other Borrowings	110	219
Accrued Expenses and Other Liabilities	839	478
Intermediate-Term Debt (Original maturities from one to 15 years) (Note 7)	1,822	754
Long-Term Debt (Original maturities of 15 years or more) (Note 8)	212	221
Stockholder's Equity		
Common Stock	$ —	$ 2
Additional Paid-in Capital	2,085	926
Retained Earnings	127	106
Total Stockholder's Equity	$ 2,212	$1,034
Total	$10,375	$7,702

COMBINED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

Citicorp (Parent Company Only)
Subsidiaries Other Than Banks

In Millions	1980	1979	1978
Common Stock			
Balance at Beginning of Year	$ 2	$ 3	$ 8
Intragroup Transfer of Ownership of Subsidiaries	—	—	(5)
Transfer of Ownership of Subsidiary to Affiliate	(2)	—	—
Sale of Subsidiary	—	(1)	—
Balance at End of Year	$ —	$ 2	$ 3
Additional Paid-In Capital			
Balance at Beginning of Year	$ 926	$ 491	$ 394
Additional Citicorp Investment	1,180	505	92
Transfer of Ownership of Subsidiary to Affiliate	(24)	—	—
Other Changes (Primarily Sale of Subsidiary in 1979)	3	(70)	5
Balance at End of Year	$2,085	$ 926	$ 491
Retained Earnings			
Balance at Beginning of Year	$ 106	$ 79	$ 30
Net Income	15	59	49
Dividends to Citicorp	—	(39)	—
Transfer of Ownership of Subsidiary to Affiliate	5	—	—
Other Changes	1	7	—
Balance at End of Year	$ 127	$ 106	$ 79
Total Stockholder's Equity			
Balance at Beginning of Year	$1,034	$ 573	$ 432
Changes during Year, Net	1,178	461	141
Balance at End of Year	$2,212	$1,034	$ 573

COMBINED STATEMENT OF INCOME

Citicorp (Parent Company Only)
Subsidiaries Other Than Banks

In Millions	1980	1979	1978
Revenue			
Income from Loans and Receivables	$ 839	$ 486	$253
Interest and Fees from Citicorp and Affiliates (Note 21)	547	422	240
Other Revenue	194	144	103
	$1,580	$1,052	$596
Expense			
Interest and Fees Paid to Citicorp and Affiliates (Note 21)	$ 669	$ 417	$155
Other Interest	243	91	39
Salaries and Staff Benefits	233	188	124
Provision for Loan Losses (Note 21)	69	26	26
Net Premises Expense	30	23	14
Other Expense	331	245	173
	$1,575	$ 990	$531
Income before Taxes	$ 5	$ 62	$ 65
Applicable Income Taxes (Benefit) (Note 21)	(10)	3	16
Net Income	$ 15	$ 59	$ 49

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION

Citicorp (Parent Company Only)
Subsidiaries Other Than Banks

In Millions	1980	1979	1978
Funds Provided			
Net Income	$ 15	$ 59	$ 49
Increase in			
Deposits	202	6	1
Advances from Citicorp and Affiliates	282	2,016	877
Purchased Funds and Other Borrowings	—	130	3
Accrued Expenses and Other Liabilities	361	138	189
Intermediate-Term Debt	768	437	17
Long-Term Debt	—	101	120
Additional Citicorp Investment	1,163	441	92
Decrease in			
Cash and Deposits	33	—	—
Total	$2,824	$3,328	$1,348
Funds Used			
Dividends to Citicorp	$ —	$ 39	$ —
Increase in			
Cash and Deposits	—	17	328
Securities	98	108	41
Advances to Citicorp	797	771	—
Loans and Receivables, Net	1,699	2,335	943
Decrease in			
Purchased Funds and Other Borrowings	109	—	—
Long-Term Debt	9	—	—
Other	113	58	36
Total	$2,824	$3,328	$1,348

Accounting policies and explanatory notes on pages 41-53 form an integral part of the financial statements.

STATEMENT OF ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of Citicorp, its wholly-owned subsidiary, Citibank, N.A. and their majority-owned subsidiaries, after the elimination of all material intercompany transactions. In the parent company only financial statements, the investments in Citibank and the other subsidiaries of Citicorp are carried under the equity method of accounting.

Affiliates which are 20%- to 50%-owned are carried under the equity method of accounting and the pro rata share of their income (loss) is included in other revenue. Income from investments in less than 20%-owned companies is recognized when dividends are received.

Gains and losses on disposition of branches, subsidiaries, affiliates and other equity investments (including venture capital investments) and charges for management's estimate of permanent impairment in value, are included in other revenue.

Assets and liabilities of overseas offices are translated to U.S. dollars at exchange rates current at year-end, except for premises which are translated at exchange rates prevailing at dates of acquisition. Revenue and expense, except depreciation and amortization, of overseas offices are translated to U.S. dollars at applicable monthly rates of exchange. Foreign exchange positions, including spot and forward contracts, are valued monthly at prevailing market rates. Gains and losses resulting from translating the accounts of overseas offices and from related hedging arrangements and foreign exchange trading income are included in foreign exchange profits and commissions.

The Board of Governors of the Federal Reserve System requires that investments by Citibank in overseas subsidiaries and affiliates be carried at a value not in excess of underlying book value. Citibank charges retained earnings with the amount of goodwill associated with these investments to the extent required. In accordance with generally accepted accounting principles, this write-off of goodwill is not reflected in the Citicorp balance sheets. Goodwill is generally amortized over the estimated period to be benefited not exceeding forty years.

Securities

Investment securities are carried at cost adjusted for amortization of premiums to call date and accretion of discounts to maturity. Gains and losses on sales of investment securities (computed on a specific identified cost basis) and the related tax effect are stated in a separate caption immediately preceding net income in the parent company only and consolidated statements of income.

Trading account securities (including related futures and forward transactions) are carried at market. Domestically, such securities principally represent the inventory of Citibank in its operations as a dealer in U.S. government and state and municipal debt obligations buying and selling for its own account. Outside the United States, certain branches or subsidiaries engage in similar type activities, principally in securities issued by foreign governmental units. The liability incurred in short sale transactions, representing obligations to deliver securities, is included in other liabilities. Interest on trading account securities is included in interest revenue net of interest expense on securities sold short, and gains and losses from all securities trading activities, both realized and unrealized, are included in trading account profits and commissions.

No transfers are made between trading account securities and investment securities.

Commercial Loans

Commercial loans are stated at face value, net of unearned discount and the allowance for possible losses on commercial loans.

Additions to the allowance are made by means of the provision for possible losses on commercial loans charged to expense. Loan losses are deducted from the allowance and subsequent recoveries are added. The level of net loan losses for the year is a significant factor in determining the appropriate level for the provision for possible losses on commercial loans. Based on management's judgment as to the appropriate level of the allowance for possible losses, the amount actually provided may be greater or less than the net loan losses for the year. The determination of the amount by which the provision should exceed or be less than net loan losses is based on management's current evaluation of the anticipated impact of domestic and international economic conditions, changes in the character and size of the portfolio, past and expected future loss experience and other pertinent indicators.

When it is determined as a result of evaluation procedures that the payment of interest or principal on a commercial loan is doubtful of collection, the loan is placed on a nonaccrual basis. In any case where interest or principal is past due for 90 days or more, the loan is automatically placed on nonaccrual basis unless an affirmative determination is made by senior credit management that the condition is not indicative of doubt as to the collectibility of principal or interest. Any interest accrued on a loan placed on a nonaccrual basis is reversed and charged against current earnings. Interest on nonaccrual loans is thereafter included in earnings only to the extent actually received in cash.

Consumer Loans

Consumer loans are stated at their face amount, net of unearned discount and the allowance for consumer credit losses.

Consumer loans are written off automatically upon reaching a predetermined number of days past due on a contractual basis. The number of days is set at an appropriate level by loan product and by country so as to result in the recognition of losses on a basis which makes the

likelihood of subsequent recovery of those losses to fall between 20% to 30%. Consumer credit loss expense charged to earnings is built up as a composite of three factors: (a) the actual net consumer credit losses, (b) a factor statistically calculated to reflect the likely losses associated with the most recent growth in the portfolio and (c) a further adjustment in anticipation of potential losses that likely exist in the portfolio but which are not fully anticipated by the first two items.

Interest on discount loans is accrued on a declining basis which results in an approximate level rate of return over the term of the loan. Interest accrued on nondiscount loans is based on the principal amount of loans outstanding.

Lease Financing

Lease financing represents Citicorp's share of aggregate rentals on lease financing transactions and residual values net of related unearned income.

Lease financing transactions substantially represent direct financing leases and also include leveraged leases. Unearned income is amortized under a method which substantially results in an approximate level rate of return when related to the unrecovered lease investment.

Gains or losses from sales of residual values of leased equipment are included in other revenue.

Premises and Equipment

Premises and equipment, including leasehold improvements, are carried at cost less accumulated depreciation and amortization. Generally, depreciation and amortization are computed on the straight-line basis over the estimated useful life of the asset or the lease term. Maintenance and repair costs are expensed as incurred.

Staff Benefits and Earnings Per Share

Staff benefits expense includes prior and current service costs of retirement plans which are accrued on a current basis, contributions under the staff incentive plan, awards under the executive incentive compensation plan and costs of other staff benefits. No charges are reflected in earnings due to the granting or exercise of options under the stock option plan or the subscription for or purchase of stock under the stock purchase plans.

Common equivalent shares are included in the calculation of earnings per share representing shares issuable under the executive incentive compensation plan and the dilutive effect of options and subscriptions to purchase shares under the stock option and stock purchase plans. Options and subscriptions may be for either market value or book value stock. Market value stock is Citicorp common stock that is not restricted by Citicorp as to resale but can be sold by the staff member in the market. Book value stock is Citicorp common stock that is issued at a price equal to book value per share and can be resold only to Citicorp at the per share book value at the time of sale but which has the same voting, dividend and liquidation rights as market value stock. For outstanding options and subscriptions involving only market value shares, common equivalent shares are computed using the treasury stock method.

Under the stock option and stock purchase plans, options are also granted in tandem and subscription agreements are also entered into that give the staff member the alternative to purchase either market value or book value shares up to the end of the option or subscription period at exercise or purchase prices fixed at the date of grant or subscription.

If circumstances are such that purchase of market value shares clearly represents the economically preferable alternative to the staff member, the earnings per share calculation includes common equivalent shares representing the dilutive effect, computed by the treasury stock method, of the market value shares under option or subscription. If circumstances indicate that purchase of book value shares is the staff member's preferable alternative, the book value shares under option or subscription enter into the earnings per share calculation according to the two-class method. This method recognizes the fact that there are effectively two classes of stock participating in earnings: one, outstanding shares of stock which share in all earnings, and another, book value shares under option or subscription which share only in undistributed earnings.

After issuance, book value shares are included in the weighted average number of shares of common stock outstanding used to calculate earnings per share.

Upon issuance of shares under the staff incentive, stock option and stock purchase plans, proceeds received in excess of par value are credited to surplus. Upon issuance of treasury shares under the executive incentive compensation plan, the excess of the amount of the awards over the average cost of treasury shares is credited to surplus.

Income Taxes

Provision for deferred taxes is made for items of revenue and expense reported in the financial statements in different years than for tax purposes, including an appropriate provision for taxes on undistributed income of subsidiaries and affiliates.

Investment tax credits on leased equipment are recognized over a period of time related to the recovery of the lease investment which gives rise to such credits. Other investment tax credits are recognized in the year the asset is acquired.

Citicorp and its subsidiaries file consolidated federal income tax returns. The provision for federal income taxes of Citicorp and of each subsidiary is recorded on the basis of filing separate income tax returns, making appropriate adjustments arising out of the consolidated federal income tax return regulations.

NOTES TO THE FINANCIAL STATEMENTS

1. INVESTMENT SECURITIES

Investment Securities

In Millions at Year End	1980 Carrying Value	1980 Market Value	1979 Carrying Value	1979 Market Value
U.S. Treasury	$2,812	$2,667	$1,512	$1,485
Federal Agencies	531	440	408	367
State and Municipal				
New York City and Municipal Assistance Corporation	463	369	446	409
New York State and Agencies	129	69	153	111
All other	135	92	134	104
Other				
In Domestic Offices				
Bonds, notes, debentures and corporate stock	354	456	178	246
Stock of the Federal Reserve Bank	64	64	61	61
In Overseas Offices (primarily local government issues)	2,207	2,197	1,924	1,886
Total	$6,695*	$6,354*	$4,816	$4,669

**Includes United Kingdom Government Securities with carrying value and market value of $512 million and $510 million, respectively.*

Interest and Dividends on Investment Securities

In Millions for the Year	1980	1979	1978
U.S. Treasury and Federal Agencies	$249	$108	$ 79
State and Municipal (substantially all exempt from federal income tax)	50	50	58
Other	277	192	185
Total	$576	$350	$322

2. COMMERCIAL LOANS

Commercial Loans Outstanding

In Millions at Year End	1980	1979
In domestic offices		
Commercial and industrial[1]	$14,548	$13,243
Mortgage and real estate[2]	2,057	1,436
Loans to financial institutions	1,425	1,369
	$18,030	$16,048
In overseas offices		
Commercial and industrial[1]	$26,742	$24,745
Mortgage and real estate[2]	2,402	2,053
Loans to financial institutions	2,790	2,024
Governments and official institutions	5,066	4,917
	$37,000	$33,739
	$55,030	$49,787
Unearned discount	(420)	(270)
Allowance for possible losses on commercial loans	(359)	(328)
Commercial Loans, Net	$54,251	$49,189

(1) *Includes loans not otherwise separately categorized.*
(2) *Includes only loans secured primarily by real estate.*

Changes in the Allowance for Possible Losses on Commercial Loans

In Millions	1980	1979	1978
Balance at Beginning of Year	$328	$304	$242
Deductions			
Loan losses	$109	$119	$192
Less loan recoveries	(60)	(59)	(80)
Net loan losses	$ 49	$ 60	$112
Sale of subsidiary	6	—	—
	$ 55	$ 60	$112
Additions			
Provision for possible losses on commercial loans	$ 86	$ 83	$171
Other additions (principally adjustments relating to the translation of overseas allowance balances)	—	1	3
	$ 86	$ 84	$174
Balance at End of Year	$359	$328	$304

Citicorp's nonperforming loans amounted to $799 million, $1,095 million and $1,356 million at December 31, 1980, 1979 and 1978, respectively. Nonperforming loans include nonaccrual and renegotiated loans. Renegotiated loans are those commercial loans on which the rate of interest has been reduced as a result of the inability of the borrower to meet the original terms of the loan. Foregone revenue from nonperforming loans was as follows:

In Millions for the Year	1980	1979	1978
Interest income that would have been accrued at original contractual rates	$145	$173	$185
Amount recognized as interest income	72	74	64
Foregone revenue	$ 73	$ 99	$121

Loans of more than $500,000 to individuals who served as Citicorp non-officer directors at December 31, 1980 and 1979, and/or companies of which they are principal holders of equity securities amounted to $1 million at December 31, 1980 and $20 million at December 31, 1979, which amounts related to two non-officer directors. Maximum amount outstanding at any month-end during 1980 was $24 million. Additions of $90 million and collections of $109 million were made during 1980.

3. CONSUMER LOANS

The consumer loan category represents loans managed by Citicorp's individual banking business. This is generally defined as including loans to individual consumers in major countries throughout the world, to meet their borrowing requirements for housing, automobiles and other personal and family purposes. The consumer category also includes such indirect types of consumer finance as dealer floor plan lending for automobiles.

Consumer Loans Outstanding

In Millions at Year End	1980	1979
In Domestic Offices		
Mortgage and real estate(1)	$ 4,317	$ 3,195
Installment, revolving credit and other consumer loans	8,435	7,542
	$12,752	$10,737
In Overseas Offices		
Mortgage and real estate(1)	$ 1,152	$ 916
Installment, revolving credit and other consumer loans	4,964	4,271
	$ 6,116	$ 5,187
	$18,868	$15,925
Unearned discount	(3,057)	(2,448)
Allowance for consumer credit losses	(147)	(129)
Consumer Loans, Net	$15,664	$13,348

(1) *Includes only loans secured primarily by real estate.*

Changes in the Allowance for Consumer Credit Losses

In Millions	1980	1979	1978
Balance at Beginning of Year	$129	$103	$ 73
Deductions			
Loan losses	$262	$205	$150
Less loan recoveries	(67)	(80)	(56)
Net loan losses	$195	$125(1)	$ 94
Additions			
Consumer credit loss expense	$212	$151	$115
Other additions (principally allowance balances of acquired companies)	—	—	6
	$212	$151	$121
Balance at End of Year	$147	$129	$103

(1) *Includes a $25 million reduction to reflect a more realistic estimate of credit losses and recoveries of an overseas subsidiary.*

4. PREMISES AND EQUIPMENT

Premises and Equipment, Net of Accumulated Depreciation and Amortization

In Millions at Year End	1980	1979
In domestic offices		
Premises and leasehold improvements (including land of $78 and $87, in 1980 and 1979 respectively)	$ 486	$ 473
Equipment	315	233
	$ 801	$ 706
In overseas offices		
Premises and leasehold improvements	$ 304	$ 321
Equipment	118	100
	$ 422	$ 421
Premises and Equipment, Net of Accumulated Depreciation and Amortization	$1,223	$1,127

Depreciation and amortization of premises and equipment was $120 million in 1980, $100 million in 1979 and $75 million in 1978.

5. TIME DEPOSITS IN DOMESTIC OFFICES

The aggregate amounts of time certificates of deposit and other time deposits in denominations of $100,000 or more held in domestic offices were $3,057 million and $1,409 million respectively at December 31, 1980 and $2,991 million and $1,370 million respectively at December 31, 1979.

6. PURCHASED FUNDS AND OTHER BORROWINGS

Purchased Funds and Other Borrowings original maturities of less than one year

	1980			1979		
In Millions	Amount outstanding at year end	Average outstanding during year	Maximum outstanding at any month end	Amount outstanding at year end	Average outstanding during year	Maximum outstanding at any month end
Federal funds purchased and securities repurchase agreements (in domestic offices)[1][2]	$11,369	$9,551	$11,843	$ 9,060	$7,258	$9,060
Commercial paper (parent company only)[2]	$ 4,935	$4,406	$ 4,935	$ 3,889	$3,346	$3,895
Other funds borrowed (primarily overseas)	$ 6,225	$5,547	$ 6,225	$ 5,489	$4,439	$5,669
Total	$22,529			$18,438		

(1) Weighted average interest rate was 13.04% during 1980 and 11.46% during 1979.

(2) Citicorp (parent company only) had securities repurchase agreements of $1,542 million at December 31, 1980 and $994 million at December 31, 1979. An average of $1,241 million and $208 million was outstanding during the years 1980 and 1979 with weighted average interest rates of 12.30% and 12.36%, respectively. The maximum amount outstanding at any month end was $1,710 million in 1980 and $1,004 million in 1979.

(3) Weighted average interest rate was 13.38% during 1980 and 11.21% during 1979; 18.10% at year end 1980 and 14.36% at year end 1979.

7. INTERMEDIATE-TERM DEBT

Intermediate-Term Debt original maturities from one to 15 years

In Millions at Year End	Due Within 1 Year	Due 1–5 Years	Due 6–10 Years	Due 11–15 Years	1980(1) Total	1979 Total
Parent Company						
6⅛% notes due 1980	$ —	$ —	$ —	$ —	$ —	$ 125
Floating rate notes due 1989	148	—	—	—	148	164
Floating rate notes due 2010	—	250	—	—	250	—
Other	14	22	—	—	36	92
	$162	$ 272	$ —	$ —	$ 434	$ 381
Citibank, N.A. and Other Bank Subsidiaries						
Debentures and other borrowings by Citicorp Australia Holdings Limited	$199	$ 435	$ 10	$ 5	$ 649	$ 542
Other	187	270	252	37	746	556
	$386	$ 705	$262	$ 42	$1,395	$1,098
Subsidiaries Other Than Banks						
7% notes due 1981	$200	$ —	$ —	$ —	$ 200	$ 200
10% notes due 1986	—	—	300	—	300	—
12% notes due 1987	—	—	200	—	200	—
13½% bonds due 1990	—	28	85	—	113	—
Floating rate notes due 1983	—	300	—	—	300	300
Floating rate notes due 1984	—	120	—	—	120	100
Floating rate notes without stated maturity	—	200	—	—	200	—
Other	38	41	10	—	89	154
	$238	$ 689	$595	$ —	$1,522	$ 754
Total	$786	$1,666	$857	$ 42	$3,351	$2,233

(1) Maturity distribution is based upon contractual maturities or earlier dates at which debt is repayable at the option of the holder or requires mandatory sinking fund payments.

The interest rates on the floating rate note issues shown in the accompanying table are determined periodically during the year by formulas based on certain money market rates or, in certain instances, by minimum interest rates as specified in the agreements governing the respective issues. Interest rates on floating rate note issues at December 31, 1980 were as follows: parent company issues due 1989–14.25% (13.50% in 1979) and 2010–15.05%; issues of subsidiaries other than banks due 1983–17.88% (15.13% in 1979), 1984–18.38% (15% in 1979) and those without stated maturity–12.44%.

Citicorp Australia Holdings Limited (CAHL) issues debentures periodically at various interest rates and maturities which are secured by the assets of CAHL and certain of its consolidated subsidiaries. At December 31, 1980, the debentures had an average interest rate of 11.65% and an average maturity of 2½ years. At December 31, 1979, the average interest rate was 11.66%.

Citicorp guarantees substantially all the intermediate-term debt issued by its subsidiaries except for Citicorp Australia Holdings Limited.

Certain of the agreements under which these notes and debentures were issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock and from creating encumbrances on such shares.

8. LONG-TERM DEBT

Long-Term Debt original maturities of 15 years or more

In Millions at Year End	Due Within 1 Year	Due 1–5 Years	Due 6–10 Years	Due 11–15 Years	Due 15 years & Over	1980(1) Total	1979 Total
Parent Company							
8¼% notes due 2002	$ —	$ 12	$ 58	$ 57	$123	$ 250	$ 250
8.45% notes due 2007	—	—	67	83	200	350	350
8⅛% notes due 2007	—	—	30	50	170	250	250
10⅞% notes due 2010	—	—	—	59	191	250	—
Floating rate notes due 1998	—	—	40	100	60	200	200
Floating rate notes due 2004	—	18	99	142	241	500	500
Other	60	—	—	—	—	60	—
	$ 60	$ 30	$294	$491	$985	$1,860	$1,550
Citibank, N.A. and Other Bank Subsidiaries							
Promissory notes due 1994	$ —	$ —	$ —	$140	$ —	$ 140	$ 140
Other	—	—	1	2	1	4	—
	$ —	$ —	$ 1	$142	$ 1	$ 144	$ 140
Subsidiaries Other Than Banks(2)							
Floating rate notes due 1994	$ —	$ —	$ —	$100	$ —	$ 100	$ 100
Other	2	16	25	69	—	112	121
	$ 2	$ 16	$ 25	$169	$ —	$ 212	$ 221
Total	$ 62	$ 46	$320	$802	$986	$2,216	$1,911

(1) Maturity distribution is based upon contractual maturities or earlier dates at which debt is repayable at the option of the holder or requires mandatory sinking fund payments.

(2) Guaranteed by Citicorp.

The interest rates on floating rate note issues and promissory notes are determined periodically during the year by formulas based on certain money market rates and are subject to certain minimum per annum interest rates as specified in the agreements governing the respective issues. Interest rates on floating rate note issues at December 31, 1980 were 10.4% (11.1% in 1979) for the 1998 issue, 12.9% (12.7% in 1979) for the 2004 issue and 19.81% (14.44% in 1979) for the 1994 issue. The interest rate on the promissory notes due 1994 was 15.18% at December 31, 1980 (13.15% in 1979).

Certain of the agreements under which these notes and bonds were issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock and from creating encumbrances on such shares.

9. CONVERTIBLE NOTES

In Millions at Year End	1980	1979
5¼% convertible subordinated notes due 2000	$350	$350
4% convertible capital notes due 1990	5	7
Total	$355	$357

The 5¼% notes are unsecured obligations of Citicorp, convertible at the option of the holder into Citicorp common stock at a conversion price of $41 per share, subject to adjustment in certain events. The notes are redeemable at the option of Citicorp beginning in 1982 at prices ranging from 103.75% initially to 100% in 1995 and thereafter. The liability of Citicorp on the notes is subordinated to obligations to other creditors.

The 4% notes are convertible at the option of the holder into Citicorp common stock at a conversion price of $16⅝ per share, subject to adjustment in certain events. Citibank is jointly and severally liable with Citicorp for payment of principal and interest on the notes.

10. PREFERRED STOCK

At December 31, 1980 and 1979, authorized preferred stock was 10 million shares.

At December 31, 1980, 400,000 shares of non-voting preferred stock were outstanding, subject to redemption at a price of $100 per share through a mandatory sinking fund beginning in 1990 which would retire all of the stock by 2013. Dividends, which are cumulative, are payable semiannually at an annual rate of $11 per share until 1985 and thereafter at a rate determined periodically by a formula based on certain money market rates. Citicorp may be required to repurchase the preferred stock at $100 per share if loans are not extended to the preferred stockholder under certain circumstances.

11. CITICORP COMMON STOCK

At December 31, 1980 and 1979, authorized common stock was 200 million shares. The issued shares at December 31, 1980 and 1979 include 1.9 million and 1.7 million book value shares, respectively, issued in connection with certain staff benefit plans. Under the terms of the plans the payment for book value shares sold back to Citicorp can be settled in cash or in market value shares at the option of Citicorp.

At December 31, 1980, shares were reserved for issuance as follows: on conversion of convertible notes, 8.9 million shares; under the staff incentive plan, 14.1 million book value shares; under the 1968 stock option plan, 200 thousand shares; under the 1973 stock option plan, under which options may be granted in tandem, a maximum of 6.9 million shares if issued at market value and a maximum of 7.9 million shares if issued at book value; under the stock purchase plan, 4.7 million shares; and under the executive incentive compensation plan, 100 thousand shares.

12. CITICORP (PARENT COMPANY ONLY) EQUITY IN RETAINED EARNINGS OF SUBSIDIARIES

The parent company's retained earnings include $2,647 million at December 31, 1980 and $2,225 million at December 31, 1979, attributable to undistributed income of bank subsidiaries and $127 million at December 31, 1980 and $106 million at December 31, 1979, attributable to undistributed income of subsidiaries other than banks.

13. STOCKHOLDERS' EQUITY OF CITIBANK, N.A.

Authorized capital stock of Citibank was 40 million shares at December 31, 1980, 1979 and 1978.

Changes in Stockholders' Equity

In Millions	1980	1979	1978
Balance at Beginning of Year	$4,006	$3,600	$3,291
Additions			
Net income	$ 649	$ 562	$ 487
Other additions, net	12	42	8
	$ 661	$ 604	$ 495
Deductions			
Dividends declared	$ 229	$ 192	$ 176
Write-off of goodwill associated with acquisition of subsidiaries and affiliates	—	6	10
	$ 229	$ 198	$ 186
Balance at End of Year	$4,438	$4,006	$3,600

Citibank charges retained earnings with the amount of goodwill associated with investments in subsidiaries and affiliates to the extent required by the Board of Governors of the Federal Reserve System. In accordance with generally accepted accounting principles, such charges are not reflected in the Citicorp financial statements, and the related amounts net of amortization aggregating $73 million, $81 million and $78 million at December 31, 1980, 1979 and 1978, respectively, are included in other assets in the Citicorp consolidated balance sheet. Citicorp's equity investment in Citibank amounted to $4,511 million, $4,087 million and $3,678 million at December 31, 1980, 1979 and 1978, respectively.

The approval of the Comptroller of the Currency is required if the total of all dividends declared by a national bank in any calendar year exceeds the bank's net profits (as defined) for that year combined with its retained net profits for the preceding two calendar years. Under this formula, Citibank can declare dividends in 1981 without approval of the Comptroller of the Currency of approximately $823 million plus an additional amount equal to Citibank's net profits for 1981 up to the date of any such dividend declaration.

14. STAFF BENEFITS

Retirement Plans. There are a number of pension plans covering substantially all staff members. The cost of the principal plan amounted to $47 million in 1980, $43 million in 1979 and $40 million in 1978. The costs of all benefits under the plan are accrued and funded on a current basis.

A comparison of the actuarial value of accumulated plan benefits and plan net assets for the principal benefit plan as of the most recent actuarial valuation date is presented below.

In Millions	January 1, 1980	1979
Retirement benefits earned by employees		
Vested	$238	$214
Non-vested	41	38
	$279	$252
Plan Net Assets Available for Benefits	$446	$360

Retirement benefits earned by employees represent the present value of accumulated benefits earned based upon years of service. The amount was determined using a rate of return of 8% for both 1980 and 1979.

Staff Incentive Plan. The expense associated with the plan amounted to $39 million in 1979 and $42 million in 1978. There was no expense associated with the plan in 1980.

Under the plan, staff members have the option of receiving their share in cash or deferring it in certain investment funds. Several investment options are available including Citicorp market value shares, which the fund acquires in the open market, and book value shares issued by Citicorp.

Stock Option Plans. The stock option plans of Citicorp became effective November 1, 1968, and April 2, 1973. The 1973 plan was extended and amended effective April 1, 1977. Under each plan, options have been granted to key staff members for terms up to 10 years to purchase common stock at not less than the fair market value of the shares at the date of grant. In addition, the 1973 plan, as extended and amended, provides for the granting in tandem of options to purchase market value shares of common stock at not less than the market value at the date of grant or a proportionate number of book value shares of common stock at not less than the book value per share at the date of grant. Such a proportionate number of book value shares is determined based on the ratio of market value to book value per share at the date of grant. Under the 1968 plan, options are exercisable cumulatively in equal annual installments; under the 1973 plan, 50% are exercisable beginning on the first anniversary and 50% beginning on the second anniversary of the date of grant.

In the accompanying table in the captions shares under option and options granted, options granted in tandem are included on the basis that represents the economically preferable alternative to the staff member.

Changes in Options and Shares Under Option

	Number of Shares	Option Price Per Share	Option Price Aggregate Millions
Shares under option at			
December 31, 1980	4,418,557	$18 to $45	$121
December 31, 1979	3,774,567	$17 to $45	$110
Options granted			
1980	959,150	$18 to $24	$ 20
1979	790,500	$23 to $25	$ 20
1978	520,385	$23 to $26	$ 13
Options exercised			
1980	87,291	$17 to $28	$ 2
1979	106,671	$16 to $25	$ 2
1978	41,929	$17 to $25	$ 1

At December 31, 1980, options to purchase 3,160,262 shares were exercisable. At that date, 2,673,750 shares were available to grant options to purchase market value shares and 2,033,038 shares (a proportionate number based on the price ratio of book value shares to market value shares) were available to grant options to purchase book value shares. Additional shares may become available for options to purchase market value shares under the plan to the extent presently outstanding options under the 1973 plan terminate or expire unexercised. As the number of market value shares available for options so increases, or if the price ratio of market value shares to book value shares increases, the number of book value shares available for options will increase proportionately, subject to a maximum of 8 million shares.

Stock Purchase Plan. The plan permits all eligible staff members (two years employment with Citicorp or its subsidiaries) to purchase shares within a 24-month period under agreements entered into with all such staff members from time to time at the fair market value or book value per share at the dates of the agreements.

Agreements aggregating $34 million were entered into at March 31, 1980. Outstanding subscriptions, which aggregated $29 million at December 31, 1980, may be used for the purchase of market value shares at $18.125 per share, book value shares at $29.414 per share, or a combination of both. In 1980, 168,663 market value shares and 3,952 book value shares were purchased by staff members.

Executive Incentive Compensation Plan. Under the executive incentive compensation plan awards are made to key staff members, payable at the election of the participants, in cash or in market value shares of Citicorp common stock in three approximately equal installments or on a deferred basis.

The aggregate amount of the awards was $5 million in 1979 and $6 million in 1978. There were no awards made under the plan in 1980.

15. APPLICABLE INCOME TAXES

Consolidated Provision for Income Taxes, including the tax effect on securities transactions

In Millions for the Year	1980	1979	1978
Domestic			
Current			
Federal	$ 5	$ 28	$ 56
State and local	35	17	8
	$ 40	$ 45	$ 64
Deferred			
Federal	$(46)	$(52)	$ 16
State and local	12	(13)	9
	$(34)	$(65)	$ 25
Total domestic	$ 6	$(20)	$ 89
Foreign (substantially all current)	325	345	245
Total Provision	$331	$325	$334

Although not affecting the total provision, current income tax payments may differ from the amounts shown as current as a result of the final determination as to the timing of certain deductions and credits, and will differ because of the availability of investment tax credits. As a result of these determinations, the allocations between current and deferred taxes for 1979 and 1978 have been restated. Operations in 1980, 1979 and 1978 resulted in investment tax credits of $23 million, $11 million and $16 million, respectively. Of these amounts $14 million arose from lease financing transactions in 1980, $4 million in 1979 and $11 million in 1978.

The 1979 income tax benefits of the parent company include changes in estimates of prior period taxes between the parent company and its subsidiaries based on tax returns filed.

As a U.S. corporation, all of Citicorp's foreign pre-tax earnings, representing the substantial portion (in excess of 95%) of Citicorp's total pre-tax earnings, are subject to domestic taxation currently if earned by a foreign branch, or when earnings are effectively repatriated, if earned by a foreign subsidiary or affiliate. In addition, certain of Citicorp's domestic income is subject to foreign income tax where the payor of such income is domiciled overseas.

Deferred taxes result from timing differences in the recognition of revenue and expense for tax and financial accounting purposes.

Components of Deferred Taxes

In Millions for the Year	1980	1979	1978
Lease financing transactions	$ 43	$ 10	$(14)
Loan loss deduction	(27)	11	14
Interest income	(31)	(11)	(13)
Domestic taxes on overseas income	4	(89)	37
Other	(23)	14	1
Total	$(34)	$(65)	$ 25

Analysis of Effective Rate

For the Year	1980	1979	1978
U.S. federal income tax rate	46.0%	46.0%	48.0%
Changes from statutory rate resulting from:			
Tax-exempt interest income	(4.6%)	(4.3%)	(4.8%)
State and local income taxes, net of U.S. federal income tax benefit	3.1%	.3%	1.0%
Income from 20%- to 50%-owned affiliates included on an after-tax basis	(3.0%)	(2.2%)	(2.2%)
Undistributed income from overseas subsidiaries	1.0%	.3%	.5%
Other	(2.6%)	(2.6%)	(1.0%)
Total	39.9%	37.5%	41.5%

16. EARNINGS PER SHARE

The accompanying table shows the calculation of earnings per share on common and common equivalent shares for income before securities transactions. Market value shares that can be purchased by staff members under agreements entered into under the current stock purchase plan offering have been included in the calculation as common stock equivalents using the treasury stock method, on the basis that market value shares currently represent the staff member's preferable alternative. Book value shares that could be purchased under a previous stock purchase plan offering and book value shares under options granted in tandem with options to purchase market value shares have been included in the calculation according to the two-class method as further described in the Statement of Accounting Policies.

(continued on page 51)

Calculation of Earnings Per Share

In Millions, Except per Share Amounts	1980	1979	1978
Income Before Securities Transactions Applicable to Common Stock			
a. Distributed portion (dividends)	$174	$160	$142
b. Undistributed portion	333	384	340
Total	$507	$544	$482
Shares			
Weighted average common shares outstanding			
Market value shares	121.1	122.2	122.3
Book value shares	1.4	.7	.1
Total	122.5	122.9	122.4
Common stock equivalents(1)	.3	.1	.1
c. Shares applicable to distributed portion	122.8	123.0	122.5
Book value shares issuable under stock option and stock purchase plans	2.0	2.6	2.1
d. Shares applicable to undistributed portion	124.8	125.6	124.6
Earnings Per Share			
a+c Distributed portion	$1.42	$1.30	$1.16
b+d Undistributed portion	2.66	3.06	2.72
Total	$4.08	$4.36	$3.88

(1) Common stock equivalents represent shares issuable under executive incentive compensation plan and the dilutive effect of market value shares issuable under stock option and stock purchase plans computed using the treasury stock method.

The fully diluted calculation also assumes conversion of all outstanding convertible notes. The number of shares issuable on conversion (8.9 million in 1980, 9.0 million in 1979, and 9.1 million in 1978) is added to the number of shares included in the calculation (resulting in a total of 133.7 million shares in 1980, 134.6 million in 1979, and 133.7 million in 1978), and the related after-tax interest expense ($11 million in 1980, 1979 and 1978) is eliminated.

17. PLEDGED ASSETS

In Millions at Year End	1980
U.S. Treasury and federal agency securities	$7,677(1)
State and municipal securities	633
Other	1,320
Total	$9,630

(1) Includes $1.6 billion owned by parent company.

Certain investment and trading account securities and other assets are subject to repurchase agreements and are pledged to secure public and trust deposits and for other purposes.

18. GEOGRAPHIC DISTRIBUTION OF REVENUE, EARNINGS AND ASSETS

Citicorp attributes its net interest and other operating revenue, income before taxes and securities transactions, income before securities transactions and average total assets to operations based on the domicile of the customer. U.S. possessions are included in their respective geographic areas.

Because of the integration of global activities, it is not practicable to make a precise separation, and various assumptions must be made in arriving at allocations and adjustments to be used in presenting this data.

The principal allocations and adjustments are: (1) charges for all funds employed that are not generated locally, calculated on the amount and nature of the assets and based on a marginal cost of funds concept; Citicorp common stockholders' equity is treated as generated and earning domestically; (2) allocation of expenses incurred by one area on behalf of another, including administrative costs, based on methods intended to reflect services provided; (3) adjustments for the difference between local and U.S. tax rates; and (4) allocation of the difference between actual net loan losses and loan loss expense.

The Securities and Exchange Commission requires that an allowance for loan losses applicable to loans related to foreign activities be disclosed in a note to the financial statements. Citicorp makes no such allocation, and no portion of the allowance for possible losses on commercial loans or allowance for consumer credit losses is in any way allocated or restricted to any individual loans or groups of loans. For the purpose of meeting the requirement under generally accepted accounting principles to calculate earnings and assets attributable to foreign operations, $163 million at December 31, 1980, $151 million at December 31, 1979 and $143 million at December 31, 1978 of such allowances is allocated to foreign operations. In the judgment of management, such allocation is not meaningful, since the entire amount of each allowance is available to absorb losses with respect to both domestic and foreign loans.

Geographic Distribution of Revenue, Earnings and Assets

In Millions	Net Interest and Other Operating Revenue			Income before Taxes and Securities Transactions			Income before Securities Transactions			Average Total Assets		
	1980	1979	1978	1980	1979	1978	1980	1979	1978	1980	1979	1978
North America[1]	$1,894	$1,613	$1,325	$319[4]	$277[4]	$196[4]	$192	$193	$144	$ 40,994	$33,70[illegible]	$29,138
Caribbean, Central and South America[2]	565	510	510	218	252	243	128	150	127	16,400	15,640	12,227
Europe[3]	629	695	711	24	140	213	26	89	114	31,434	27,785	23,849
Asia, Australia, Middle East and Africa	628	498	449	283	202	175	161	112	97	18,266	17,152	13,738
Total	$3,716	$3,316	$2,995	$844	$871	$827	$507[5]	$544[5]	$482[5]	$107,094	$94,281	$78,952

(1) Includes amounts attributed to United States operations (in 1980, 1979 and 1978, respectively) as follows: net interest and other operating revenue, $1,876 million, $1,589 million and $1,287 million; income before taxes and securities transactions, $322 million, $278 million and $182 million; income before securities transactions, $192 million, $192 million and $136 million; and average total assets, $39,145 million, $32,457 million and $28,021 million.

(2) Includes amounts attributed to Brazil operations (in 1980, 1979 and 1978, respectively) as follows: net interest and other operating revenue, $191 million, $174 million and $208 million; income before taxes and securities transactions, $108 million, $103 million and $146 million; income before securities transactions, $58 million, $56 million and $70 million; and average total assets denominated in cruzeiros and other currencies, $4,215 million, $4,218 million and $3,453 million.

(3) Includes amounts attributed to United Kingdom operations (in 1980, 1979 and 1978, respectively) as follows: net interest and other operating revenue, $11 million, $144 million and $137 million; income before taxes and securities transactions, $(73) million, $75 million and $60 million; income before securities transactions, $(30) million, $46 million and $38 million; and average total assets denominated in pounds sterling and other currencies, $13,085 million, $10,393 million and $9,424 million.

(4) In North America, income before taxes and securities transactions includes approximately $67 million in 1980, $62 million in 1979 and $75 million in 1978 of tax-exempt interest income, reducing the federal income tax provision attributed to the United States.

(5) Gains (losses) on securities transactions of $(8) million in 1980, $(3) million in 1979 and $(12) million in 1978 after tax effects, which are deducted in arriving at net income, are substantially attributable to the United States.

19. OTHER OVERSEAS INFORMATION

Cash and Deposits at Interest in Overseas Offices

In Millions at Year End	1980	1979
Cash and due from banks	$ 1,130	$ 2,016
Deposits at interest with banks	12,566	17,405
Total	$13,696	$19,421

Deposit Liabilities in Overseas Offices

In Millions at Year End	1980	1979
Banks[1]	$25,564	$27,055
Other demand deposits	6,304	6,383
Other time and savings deposits[1]	19,790	19,337
Total	$51,658	$52,775

(1) Primarily consists of time certificates of deposit and other time deposits in denominations of $100,000 or more.

Borrowings in Overseas Offices

In Millions at Year End	1980	1979
Purchased funds and other borrowings	$ 4,091	$ 4,013
Intermediate-term debt	2,850	1,846
Long-term debt	216	221
Total	$ 7,157	$ 6,080

20. COMMITMENTS AND CONTINGENT LIABILITIES

In the normal course of business there are outstanding various commitments and contingent liabilities, such as lease commitments, commitments to extend credit, future foreign exchange contracts, letters of credit and guarantees, which are not reflected in the financial statements. Management of Citicorp does not anticipate any material loss as a result of these transactions.

Commitments under letters of credit outstanding aggregate approximately $13,663 million at December 31, 1980, of which approximately $10,084 million were standby letters of credit.

Standby letters of credit, issued primarily by Citibank for the account of major customers, are obligations to make payments for customers' accounts under certain conditions to meet contingencies related to customers' obligations, including performance of contractual commitments. As of December 31, 1980, approximately 31% had been issued domestically and 69% had been issued overseas. Citicorp's management believes that the potential economic impact of this exposure is not excessive.

Citicorp and its subsidiaries are obligated under a number of noncancelable leases for premises and equipment, most of which have renewal or purchase options. Minimum rental commitments on noncancelable leases are $94 million in 1981, $92 million in 1982, $83 million in 1983, $76 million in 1984, $68 million in 1985 and $358 million thereafter, totaling $771 million.

Rental expense was $125 million in 1980, $117 million in 1979 and $93 million in 1978.

Various legal proceedings are pending against Citicorp and its subsidiaries including a number of lawsuits relating to Citibank's participation in the public sale of various issues of New York City and New York State agency securities. Management of Citicorp considers that the aggregate liability, if any, resulting from these proceedings will not be material.

21. CITICORP (PARENT COMPANY ONLY) SUBSIDIARIES OTHER THAN BANKS

Basis of Presentation. The combined financial statements include the accounts of Citicorp's subsidiaries (other than banks and subsidiaries of banks) engaged in merchant banking, mortgage banking, financial institutions services, consumer finance, credit card services, asset-based financing, factoring, payments mechanism research, venture capital financing, the sale of travelers checks and other variable denominated payment instruments and funding activities.

Loans and Receivables

In Millions at Year End	1980	1979
Commercial		
Commercial and industrial loans[1]	$ 2,426	$1,351
Equipment lease receivables	247	200
	$ 2,673	$1,551
Consumer		
Mortgage and real estate[2]	$ 2,692	$1,854
Installment, revolving credit and other consumer loans	3,900	3,090
	$ 6,592	$4,944
	$ 9,265	$6,495
Unearned discount	(1,923)	(1,373)
Allowance for loan losses	(62)	(41)
Loans and Receivables, Net	$ 6,780	$5,081

(1) *Includes loans not otherwise separately categorized.*
(2) *Includes only loans secured primarily by real estate.*

Contractual maturities of loans and receivables at December 31, 1980 are $1,495 million in 1981, $582 million in 1982, $602 million in 1983, $564 million in 1984 and $5,522 million thereafter.

Changes in the Allowance for Loan Losses

In Millions	1980	1979	1978
Balance at Beginning of Year	$41	$43	$41
Deductions			
Loan losses			
Commercial	$ 4	$ 5	$ 3
Consumer	53	30	24
	$57	$35	$27
Less loan recoveries (primarily consumer)	(9)	(8)	(9)
Net loan losses	$48	$27	$18
Other deductions	—	1	7
	$48	$28	$25
Additions			
Provision for loan losses	$69	$26	$26
Other additions	—	—	1
	$69	$26	$27
Balance at End of Year	$62	$41	$43

Transactions with Citicorp and Affiliates. During 1980, 1979 and 1978, average advances from Citicorp and affiliates were approximately $5,193 million, $3,863 million and $2,325 million, respectively, and the maximum amount outstanding at any month end was approximately $5,654 million in 1980, $4,960 million in 1979 and $2,944 million in 1978. Of the advances, $333 million, $405 million and $410 million at December 31, 1980, 1979 and 1978, respectively, were without interest. Interest charged on other advances approximates the cost of Citicorp's borrowings.

Under an agency agreement with Citicorp, one of the subsidiaries other than banks is entitled to use the proceeds from the sale of travelers checks and is required to provide funds to the parent company for travelers check clearings. From time to time, it accelerates payments to the parent company, for which it receives a fee. Other intercompany fees in the combined statement of income generally represent reimbursement for managerial and operational services rendered and research and development costs incurred.

Applicable Income Taxes. Applicable income taxes include a provision for deferred taxes, primarily related to lease financing transactions. In 1980 $11 million of deferred taxes were provided, in 1979 $6 million were provided. In 1978 the deferred tax reserves were reduced by $17 million primarily as a result of the reporting for tax purposes of previously deferred income.

The effective tax rate differs from the U.S. statutory rate of 46% primarily as a result of taxes being provided by foreign subsidiaries at their local tax rates, not the U.S. statutory rate. In addition, Investment Tax credits of $3 million in 1980, $2 million in 1979, and $6 million in 1978 reduced the effective rates.

FORM 10-K

Securities and Exchange Commission
Washington, D.C. 20549

Annual Report Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934
For the fiscal year ended December 31, 1980
Commission File Number 1-5738

CITICORP

Incorporated in the State of Delaware
IRS Employer Identification Number 13-2614988
Address: 399 Park Avenue, New York, N.Y. 10043
Telephone: (212) 559-1000

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock $4.00 par value	Midwest Stock Exchange New York Stock Exchange Pacific Stock Exchange
Floating Rate Notes Due 1989	New York Stock Exchange
5¼% Convertible Subordinated Notes Due 2000	New York Stock Exchange
8.45% Notes Due 2007	New York Stock Exchange
8¼% Notes Due 2007	New York Stock Exchange
Floating Rate Notes Due 1998	New York Stock Exchange
Floating Rate Notes Due 2004	New York Stock Exchange
8½% Notes Due 2002	New York Stock Exchange
Floating Rate Notes Due 2010	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
4% Convertible Capital Notes Due 1990

As of December 31, 1980, Citicorp had 122,635,327 shares of Common Stock outstanding.

Citicorp (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

The aggregate market value of Citicorp common stock, held by non-affiliates on January 31, 1981 was $2,800 million.

Citicorp's March 2, 1981 Proxy Statement is incorporated herein by reference.

FORM 10-K CROSS-REFERENCE INDEX

This Annual Report and Form 10-K incorporates into a single document the requirements of the accounting profession and the Securities and Exchange Commission, including a comprehensive explanation of 1980 results.

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**Incorporated by reference to Citicorp's March 2, 1981 Proxy Statement*

Certain statistical data required by the Securities and Exchange Commission are included on pages 24 to 28; pages 56 to 60; and pages 63 and 64.

AVERAGE BALANCES AND INTEREST RATES

Taxable Equivalent Basis

Citicorp and Subsidiaries

In Millions	1980 Average Volume	1980 Interest	1980 % Average Rate	1979 Average Volume	1979 Interest	1979 % Average Rate	1978 Average Volume	1978 Interest	1978 % Average Rate
INTEREST REVENUE									
Loans (Net of Unearned Discount)									
Commercial Loans(1)									
In Domestic Offices									
Commercial and Industrial	$ 13,161	$ 1,959	14.88	$10,475	$ 1,347	12.85	$ 9,253	$ 928	10.03
Mortgage and Real Estate	1,798	235	13.07	1,318	144	10.92	1,154	105	9.07
Loans to Financial Institutions	1,264	146	11.55	1,261	122	9.67	1,445	89	6.19
In Overseas Offices	34,811	5,527	15.83	32,182	4,484	13.93	27,885	3,048	10.93
Total Commercial Loans	$ 51,034	$ 7,867	15.41	$45,236	$ 6,097	13.48	$39,737	$4,170	10.50
Consumer Loans(1)									
In Domestic Offices	$ 10,089	$ 1,302	12.91	$ 7,783	$ 961	12.34	$ 4,838	$ 569	11.76
In Overseas Offices	4,584	812	17.18	3,642	604	16.59	3,049	506	16.59
Total Consumer Loans	$ 14,673	$ 2,114	14.24	$11,425	$ 1,565	13.70	$ 7,887	$1,075	13.63
Total Loans	$ 65,707	$ 9,981	15.15	$56,661	$ 7,662	13.52	$47,624	$5,245	11.01
Funds Sold and Resale Agreements	$ 2,517	$ 331	13.15	$ 2,352	$ 260	11.04	$ 1,348	$ 107	7.96
Investment Securities									
In Domestic Offices									
U.S. Treasury and Federal Agencies	$ 2,449	$ 243	9.92	$ 1,314	$ 108	8.22	$ 1,068	$ 77	7.24
State and Municipal	666	85	12.86	682	85	12.39	877	103	11.71
Other	341	32	9.31	204	15	7.18	168	12	7.02
In Overseas Offices (Principally local government issues)	2,257	258	11.34	1,847	185	10.02	1,738	191	10.99
Total	$ 5,713	$ 618	10.79	$ 4,054	$ 393	9.70	$ 3,851	$ 383	9.94
Trading Account Securities									
U.S. Treasury and Federal Agencies, Net	$ 765	$ 83	10.83	$ 584	$ 60	10.34	$ 178	$ 15	8.20
State and Municipal	130	17	13.02	138	16	11.90	98	11	11.02
Other (Principally in overseas offices)	579	64	11.08	577	45	7.76	378	30	8.10
Total	$ 1,474	$ 164	11.12	$ 1,299	$ 121	9.36	$ 654	$ 56	8.56
Lease Financing	$ 1,701	$ 241	14.16	$ 1,403	$ 191	13.59	$ 1,289	$ 180	13.96
Interest-Bearing Deposits (Principally in overseas offices)	$ 13,960	$ 1,782	12.76	$14,574	$ 1,549	10.63	$12,924	$ 940	7.27
Total Interest-Earning Assets	$ 91,072	$13,117	14.37	$80,343	$10,176	12.67	$67,690	$6,911	10.21
Other Non-Interest Earning Assets	16,022			13,938			11,262		
TOTAL ASSETS	$107,094			$94,281			$78,952		
INTEREST EXPENSE									
Deposits									
In Domestic Offices									
Savings Deposits	$ 2,045	$ 101	4.96	$ 1,989	$ 98	4.91	$ 1,815	$ 87	4.80
Negotiable Certificates of Deposit	2,027	250	12.33	3,462	353	10.20	4,843	374	7.73
Other Time Deposits	5,061	585	11.55	3,619	337	9.32	2,801	191	6.80
Total Domestic Interest-Bearing Deposits	$ 9,133	$ 936	10.25	$ 9,070	$ 788	8.69	$ 9,459	$ 652	6.89
In Overseas Office	51,115	6,465	12.62	47,158	4,763	10.10	40,376	2,861	7.09
Total	$ 60,248	$ 7,401	12.26	$56,228	$ 5,551	9.87	$49,835	$3,513	7.05
Funds Borrowed									
In Domestic Offices									
Purchased Funds and Other Borrowings									
Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	$ 9,551	$ 1,246	13.04	$ 7,258	$ 832	11.46	$ 4,246	$ 338	7.96
Commercial Paper	4,406	589	13.38	3,346	375	11.21	1,988	161	8.08
Other Purchased Funds	1,377	169	12.27	780	88	11.29	422	37	8.91
Intermediate-Term Debt	534	60	11.26	493	41	8.22	666	51	7.63
Long-Term Debt and Convertible Notes	2,176	225	10.33	1,989	181	9.09	1,292	101	7.79
Total in Domestic Offices	$ 18,044	$ 2,289	12.69	$13,866	$ 1,517	10.94	$ 8,614	$ 688	7.99
In Overseas Offices	6,769	803	11.89	5,221	521	9.97	3,776	360	9.54
Total	$ 24,813	$ 3,094	12.47	$19,087	$ 2,038	10.67	$12,390	$1,048	8.46
Total Interest-Bearing Liabilities	$ 85,061	$10,495	12.32	$75,315	$ 7,589	10.08	$62,225	$4,561	7.33
Demand Deposits in Domestic Offices	8,772			7,660			7,870		
Other, Non-Interest Bearing Liabilities	9,523			7,925			5,832		
Stockholders' Equity	3,738			3,381			3,025		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$107,094			$94,281			$78,952		
NET INTEREST REVENUE AS A PERCENTAGE OF AVERAGE INTEREST EARNING ASSETS		$ 2,622	2.86		$ 2,587	3.19		$2,350	3.47

(1) Loan fees are included in appropriate loan categories; such fees were $263 in 1980, $193 in 1979 and $155 in 1978.
(2) The taxable equivalent adjustment is based on the following marginal tax rates: 46% in 1980, with 46% in 1979 and 48% in 1978.

ANALYSIS OF CHANGES IN NET INTEREST REVENUE
Taxable Equivalent Basis

In Millions	1980 vs. 1979 Increase (Decrease) due to change in: Average Volume	Average Rate	Net Change(1)	1979 vs. 1978 Increase (Decrease) due to change in: Average Volume	Average Rate	Net Change(1)
Loans—Commercial	$ 831	$ 939	$1,770	$ 613	$1,314	$1,927
Loans—Consumer	471	79	550	484	6	490
Federal Funds Sold & Resale Agreements	19	52	71	100	52	152
Investment Securities	175	50	225	20	(9)	11
Trading Account Securities	17	25	42	60	5	65
Lease Financing	42	8	50	16	(5)	11
Interest-Bearing Deposits	(63)	297	234	132	476	608
Total Interest Revenue	$1,492	$1,450	$2,942	$1,425	$1,839	$3,264
Deposits	$ 418	$1,432	$1,850	$ 494	$1,544	$2,038
Funds Borrowed	674	383	1,057	666	323	989
Total Interest Expense	$1,092	$1,815	$2,907	$1,160	$1,867	$3,027
Net Interest Revenue	$ 400	$ (365)	$ 35	$ 265	$ (28)	$ 237

(1) *Rate/Volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total "Net Change".*

INVESTMENT SECURITIES
Carrying Value and Yield** by Maturity Date as of December 31, 1980

In Millions	U.S. Treasury Amount	Yield	Federal Agencies Amount	Yield	State and Municipal Amount	Yield	Other (Principally in Overseas Offices) Amount	Yield
Due Within 1 Year	$ 227	10.46%	$ —	—	$ 45	5.83%	$1,155	*
After 1 but Within 5 Years	2,526	9.76%	83	9.56%	42	5.44%	816	*
After 5 but Within 10 Years	58	9.74%	18	8.58%	79	6.51%	303	*
After 10 Years	—	—	430	10.02%	561	7.20%	351	*
Total	$2,812	9.81%	$531	9.89%	$727	7.00%	$2,625	*
Carrying Value and Yield** As of December 31, 1979	$1,512	10.09%	$408	8.96%	$733	6.64%	$2,163	*
Carrying Value and Yield** As of December 31, 1978	$ 838	7.48%	$220	7.70%	$815	6.46%	$2,125	*

**Yield information not readily available.*
***Computed by dividing annual interest (net of amortization of premium or accretion of discount) by the carrying value of the respective investment securities at December 31, 1980, 1979 and 1978.*

STATE AND MUNICIPAL INVESTMENT SECURITIES

Maturity Distribution at December 31, 1980 Carrying Value

In Millions	New York City	New York State: General	New York State: Municipal Assistance Corporation	New York State: Other New York State Agencies	All Other State and Municipal
Due Within 1 Year	$ 8	$1	$ –	$ 1	$ 35
After 1 but Within 5 Years	11	1	2	12	15
After 5 but Within 10 Years	8	5	36	9	21
After 10 but Within 20 Years	–	–	394	55	32
After 20 Years	4	–	–	45	32
Total	$31	$7	$432	$122	$135

LOANS OUTSTANDING

In Millions at Year End	1980	1979	1978	1977	1976
Commercial					
In Domestic Offices					
Commercial and Industrial	$14,548	$13,243	$ 9,810	$ 9,440	$ 9,391
Mortgage and Real Estate*	2,057	1,436	1,155	1,146	1,100
Loans to Financial Institutions	1,425	1,369	1,201	2,060	1,764
	$18,030	$16,048	$12,166	$12,646	$12,255
In International Offices	37,000	33,739	30,941	26,892	22,785
	$55,030	$49,787	$43,107	$39,538	$35,040
Unearned Discount	(420)	(270)	(205)	(164)	–
Allowance for Possible Losses on Commercial Loans	(359)	(328)	(304)	(242)	(252)
Commercial Loans, Net	$54,251	$49,189	$42,598	$39,132	$34,788
Consumer					
In Domestic Offices					
Mortgage and Real Estate Loans*	$ 4,317	$ 3,195	$ 1,896	$ 1,161	$ 1,013
Installment, revolving credit and other consumer loans	8,435	7,542	5,372	2,714	2,168
	$12,752	$10,737	$ 7,268	$ 3,875	$ 3,181
In International Offices	6,116	5,188	4,018	3,192	2,790
	$18,868	$15,925	$11,286	$ 7,067	$ 5,971
Unearned Discount	(3,057)	(2,448)	(1,482)	(989)	(887)
Allowance for Consumer Credit Losses	(147)	(129)	(103)	(77)	(59)
Consumer Loans, Net	$15,664	$13,348	$ 9,701	$ 6,001	$ 5,025
Total Loans, Net	$69,915	$62,537	$52,299	$45,133	$39,813

*Includes only loans secured primarily by real estate.

DETAIL OF COMMERCIAL LOAN LOSS EXPERIENCE

In Millions	1980	1979	1978	1977	1976
Allowance for Possible Losses on Commercial Loans at Beginning of Year	$328	$304	$242	$252	$256
Deductions					
Gross Loan Losses					
Domestic Real Estate	$ 2	$ 20	$ 60	$ 61	$ 66
International Real Estate	1	—	7	43	45
Government and Official Institutions	—	—	—	—	—
Loans to Financial Institutions (includes REIT Loans)	2	2	10	18	22
Commercial and Industrial:					
Domestic	66	42	29	62	39
International	38	55	86	51	78
	$109	$119	$192	$235	$250
Loan Recoveries					
Domestic Real Estate	$ 19	$ 2	$ 14	$ 3	$ 1
International Real Estate	8	8	6	2	—
Government and Official Institutions	—	—	—	—	—
Loans to Financial Institutions (includes REIT Loans)	8	2	2	—	2
Commercial and Industrial:					
Domestic	10	17	38	13	11
International	15	30	20	16	13
	$ 60	$ 59	$ 80	$ 34	$ 27
Net Loan Losses					
Domestic	$ 31	$ 43	$ 46	$125	$113
International	18	17	66	76	110
	$ 49	$ 60	$112	$201	$223
Additions					
Provision for Possible Losses on Commercial Loans	$ 86	$ 83	$171	$188	$224
Other Additions (Deductions) (Principally balances of acquired companies and adjustments relating to the translation of international balances)	(6)	1	3	3	(4)
	$ 80	$ 84	$174	$191	$220
Allowance for Possible Losses on Commercial Loans at End of Year	$359	$328	$304	$242	$252
Excess of Provision over Net Loan Losses	$ 37	$ 23	$ 59	$(13)	$ 1
Cumulative Excess of Provision over Net Loan Losses (since 1975)	$107	$ 70	$ 47	$(12)	$ 1
Cumulative Increase in Allowance (since 1975)	$103	$ 72	$ 48	$(14)	$ (4)

LOAN MATURITIES AND SENSITIVITY TO CHANGES IN INTEREST RATES

The maturities of the gross commercial loan portfolio as of December 31, 1980 are as follows:

In Millions	Due Within 1 Year	Over 1 But Within 5 Years	Over 5 Years	Total
In Domestic Offices				
Commercial and Industrial Loans	$ 5,291	$ 3,514	$2,925	$11,730
Construction and Land Development Loans Secured Primarily by Real Estate	659	857	541	2,057
All Other Loans	3,350	663	230	4,243
In International Offices	19,297	12,249	5,454	37,000
Total	$28,597	$17,283	$9,150	$55,030

The following table represents the sensitivity of the above loans due after one year to changes in interest rates:

Loans at Predetermined Interest Rates	$ 6,359	$2,400
Loans at Floating or Adjustable Interest Rates	10,924	6,750
Total	$17,283	$9,150

DETAIL OF CONSUMER CREDIT LOSS EXPERIENCE[1]

In Millions	1980	1979	1978	1977	1976
Allowance for Consumer Credit Losses at Beginning of Year	$129	$103	$ 77	$59	$ 45
Deductions					
Gross Loan Losses[3]					
Domestic	$211	$160	$ 87	$45	$ 62
International	51	45	63	48	43
	$262	$205	$150	$93	$105
Loan Recoveries					
Domestic	$ 47	$ 43	$ 22	$18	$ 17
International	20	37	34	20	20
	$ 67	$ 80	$ 56	$38	$ 37
Net Loan Losses[3]					
Domestic	$164	$117	$ 65	$27	$ 45
International	31	8[2]	29	28	23
	$195	$125	$ 94	$55	$ 68
Additions					
Consumer Credit Loss Expense	$212	$151	$115	$72	$ 82
Other Additions (Balances of Acquired Companies)	—	—	6	—	—
	$212	$151	$121	$72	$ 82
Allowance for Consumer Credit Losses at End of Year	$147	$129	$103	$77	$ 59
Cumulative Excess of Consumer Credit Loss Expense over Net Loan Losses (since 1975)	$ 95	$ 78	$ 52	$31	$ 14
Cumulative Increase in Allowance (since 1975)	$102	$ 84	$ 58	$32	$ 14

(1) Consumer loan losses in 1976 were increased by $16 million as a result of a policy change in certain subsidiaries to a more restrictive 180-day contractual method of writing off delinquent accounts.

(2) Includes a $25 million reduction to reflect a more realistic estimate of credit losses and recoveries of an overseas subsidiary.

(3) Consumer loan losses primarily relate to installment and revolving credit loans.

TIME DEPOSITS

In Domestic Offices ($100,000 or more) In Millions	December 31, 1980
Under 3 months	$3,846
3 to 6 months	183
6 to 12 months	347
Over 12 months	90

AVERAGE DEPOSITS

In Millions	1980	1979	1978
Demand Deposits in Domestic Offices	$ 8,772	$ 7,660	$ 7,870
Items in Process of Collection	(3,883)	(3,119)	(3,278)
Applicable Reserves	(715)	(724)	(747)
Net Demand Deposits in Domestic Offices	$ 4,174	$ 3,817	$ 3,845
Time Deposits in Domestic Offices	$ 9,330	$ 9,209	$ 9,661
Deposits in Overseas Offices	$51,115	$47,156	$40,376

Properties

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("Citibank").
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Properties

The principal executive office of Citibank, N.A. ("Citibank"), which also serves as the headquarters of Citicorp, is located at 399 Park Avenue, New York, New York in a 39-story building owned by Citibank. Virtually its entire 1,273,016 square feet are occupied by Citibank and its affiliates. Citibank also occupies Citicorp Center, a 59-story building across Lexington Avenue from 399 Park Avenue. The building totals 1,398,476 square feet, of which Citibank occupies approximately 400,000 square feet. The balance is leased to outside tenants. Citibank's statutory head office is located at 55 Wall Street, New York, New York, in a 9-story building which is owned by Citibank, and approximately 35% of its 175,234 square feet is occupied by Citibank. Substantially all of the balance is leased to others. In 1979 Citibank sold a 56-story building at 20 Exchange Place, New York, New York, directly opposite 55 Wall Street containing 612,586 square feet. Citibank continues to occupy approximately 39% of the building. Citibank also owns 111 Wall Street, a 24-story building that contains 886,290 square feet totally occupied by Citibank. In March, 1972 Citibank occupied an 8-story building in London under an 80-year lease. This building contains 110,000 square feet, all of which is used by Citibank and its affiliates. 1980 saw new buildings completed and occupied by Citibank in Guayaquil, Ecuador and Mexico City. Of the approximately 2,000 offices and other facilities of Citicorp, its subsidiaries and affiliates located throughout the world, approximately 200 were owned by Citicorp or its subsidiaries and the balance were leased.

Legal Proceedings

There are no material legal proceedings pending against Citicorp.

Exhibits, Financial Statement Schedules, and Reports on Form 8-K

Financial Statements Filed:
Citicorp and Subsidiaries:
Consolidated Statement of Income
Consolidated Balance Sheet
Consolidated Statement of Changes in Common Stockholders' Equity
Consolidated Statement of Changes in Financial Position
Citicorp (Parent Company Only):
Statement of Income
Balance Sheet
Statement of Changes in Common Stockholders' Equity
Statement of Changes in Financial Position
Citicorp (Parent Company Only) Subsidiaries Other Than Banks:
Combined Balance Sheet
Combined Statement of Income
Combined Statement of Changes in Stockholder's Equity
Combined Statement of Changes in Financial Position

Citicorp filed no Form 8-K Current Report for any month in the year ended December 31, 1980.

Citicorp's only significant subsidiary (as defined) is Citibank, N.A.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CITICORP
(Registrant)

Stephen C. Eyre
Senior Vice President–Secretary

March 2, 1981

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed on March 2, 1981 by the following persons in the capacities indicated.

Paul J. Collins
Executive Vice President–Accounting and Control

Donald S. Howard
Executive Vice President
(Principal Financial Officer)

Thomas E. Jones
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Walter B. Wriston (Citicorp's Principal Executive Officer) and the Directors of Citicorp (listed below) executed a power of attorney appointing Stephen C. Eyre their attorney-in-fact, empowering him to sign this report on their behalf.

Lord Aldington
G.A. Costanzo
John D. deButts
James H. Evans
Lawrence E. Fouraker
Clifton E. Garvin, Jr.
J. Peter Grace
Harry J. Gray
John W. Hanley
John P. Harbin
Robert S. Hatfield
H.J. Haynes
Amory Houghton, Jr.
Juanita Kreps
C. Peter McColough
Roger Milliken
Edward L. Palmer
Charles M. Pigott
Donald V. Seibert
Irving S. Shapiro
Eleanor H.B. Sheldon
William E. Simon
Mario Henrique Simonsen
Darwin E. Smith
William I. Spencer
Franklin A. Thomas
Walter B. Wriston

CITICORP FINANCIAL STATISTICS

Earnings by Quarter

In Millions Except Per Share Amounts	1980 4th	1980 3rd	1980 2nd	1980 1st	1979 4th	1979 3rd	1979 2nd	1979 1st
Interest Revenue	$3,403	$3,063	$3,356	$3,217	$2,974	$2,537	$2,324	$2,263
Interest Expense	2,889	2,320	2,648	2,636	2,344	1,899	1,708	1,638
Net Interest Revenue	$ 514	$ 743	$ 708	$ 581	$ 630	$ 638	$ 616	$ 625
Provision for Possible Losses on Commercial Loans	$ 19	$ 24	$ 27	$ 16	$ 17	$ 17	$ 21	$ 28
Consumer Credit Loss Expense	$ 56	$ 57	$ 50	$ 49	$ 47	$ 44	$ 23	$ 36
Net Interest Revenue after Loan Loss Expense	$ 439	$ 662	$ 631	$ 516	$ 566	$ 577	$ 572	$ 561
Other Operating Revenue	$ 401	$ 233	$ 325	$ 211	$ 271	$ 192	$ 177	$ 166
Other Operating Expense	$ 669	$ 667	$ 651	$ 587	$ 608	$ 545	$ 544	$ 514
Income Before Taxes and Securities Transactions	$ 171	$ 228	$ 305	$ 140	$ 229	$ 224	$ 205	$ 213
Applicable Income Taxes	75	77	128	57	75	85	79	88
Income Before Securities Transactions	$ 96	$ 151	$ 177	$ 83	$ 154	$ 139	$ 126	$ 125
Securities Transactions after Tax	—	—	(3)	(6)	1	—	(2)	(1)
Net Income	$ 96	$ 151	$ 174	$ 77	$ 155	$ 139	$ 124	$ 124
Earnings Per Share								
On Common and Common Equivalent Shares:								
Income Before Securities Transactions	$.77	$1.21	$1.43	$.67	$1.23	$1.11	$1.01	$1.01
Net Income	$.77	$1.22	$1.40	$.63	$1.24	$1.10	$1.00	$1.00
Assuming Full Dilution:								
Income Before Securities Transactions	$.74	$1.15	$1.35	$.65	$1.17	$1.06	$ .96	$ .96
Net Income	$.74	$1.15	$1.34	$.60	$1.18	$1.05	$ .95	$ .95

Dividends

	1980	1979	1978
Cash Dividends Declared (Millions)	$ 174	$ 160	$ 142
Cash Dividends Declared Per Share	$1.42	$1.30	$1.16
Dividends Per Share as a Percentage of Income Before Securities Transactions Per Share	34.8%	29.8%	29.9%

Dividends by Quarter

	1980 4th	1980 3rd	1980 2nd	1980 1st	1979 4th	1979 3rd	1979 2nd	1979 1st
Cash Dividends Declared (Millions)	$44	$43	$43	$44	$40	$40	$40	$40
Cash Dividends Declared Per Share	.355	.355	.355	.355	.325	.325	.325	.325

Common Stockholders' Equity

	1980	1979	1978
Common Stockholders' Equity at Year End (Millions)	$3,891	$3,598	$3,186
Common Stockholders' Equity Per Share at Year End	$31.73	$29.04	$25.99
Average Common Stockholders' Equity (Millions)	$3,733	$3,381	$3,025
Return on Average Common Stockholders' Equity*	13.5%	16.1%	15.9%
Average Common Stockholders' Equity as a Percentage of Average Total Assets	3.5%	3.6%	3.8%
Capital Funds** (Millions)	$6,502	$5,866	$4,714

* *Based on Income before Securities Transactions.*
** *Includes Common Stockholders' Equity, Preferred Stock, Convertible Notes and Long Term Debt.*

Return on Assets

	1980	1979	1978
Return on Average Total Assets**	.47%	.58%	.61%
Return on Average Earning Assets**	.56%	.68%	.71%
Net Interest Revenue as a Percentage of Average Earning Assets*	2.86%	3.19%	3.47%

** Taxable Equivalent Basis*
*** Based on Income before Securities Transactions*

Common Shares and Equity Security Holders

At Year End	1980	1979	1978
Common Shares Outstanding	122,633,327	123,894,012	122,595,360
Common Stockholders	66,000	72,000	71,000
4% Convertible Capital Notes Due 1990 Equity Holders	3,000	3,300	3,700
5¼% Convertible Subordinated Notes Due 2000 Equity Holders	2,300	2,600	2,700

Staff

	1980	1979	1978
Domestic	26,800	24,900	22,900
Overseas	26,900	26,700	26,300
Total	53,700	51,600	49,200

Citicorp Common Stock Price Range

	1980				1979		
Quarter	High	Low	Close	Quarter	High	Low	Close
4th	24⅜	18⅞	24¼	4th	24⅛	20¼	23¼
3rd	23⅞	19⅛	20⅜	3rd	26¼	22⅛	24
2nd	23⅛	18	22⅛	2nd	25½	22¾	25⅛
1st	24¾	17	18⅜	1st	26⅜	22⅛	22¾

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Illustrator: David Johnson

Printed in the U.S.A. 273M 3/80

STOCKHOLDER INFORMATION

Notice of the Annual Meeting
The annual meeting of stockholders will be held on Tuesday, April 21, 1981, at 11 a.m., at Citicorp Headquarters, 399 Park Avenue, New York, NY

A formal notice of this meeting, together with a proxy and proxy statement, has been included with this annual report. Stockholders are urged to sign and return their proxies promptly, to assure that the stock of the corporation will be represented as fully as possible at the meeting.

Citicorp has approximately 66,000 stockholders of record. About 78% of the Citicorp shares entitled to vote were voted in person or by proxy at the last annual stockholders' meeting on April 15, 1980.

Additional copies of this annual report are available. Write to Citicorp, Public Affairs Department, 399 Park Avenue, 18th Floor, New York, NY 10043.

Other reports also available from the Public Affairs Department include: *Investment Management Group Review of Asset Management; Evolving Concepts of Bank Capital Management; Citibank in Its Communities.*

Supplemental financial data are published quarterly and are available from Citicorp Investor Relations Department, 399 Park Avenue, New York, NY 10043.

Transfer Agent
Citibank, N.A., Capital Markets Sources, Inc., Box 4855, New York, NY 10043

Co-Transfer Agents
Bank of America NT & SA, Corporate Agency Division, Bank of America Center, San Francisco, CA 94120

The First National Bank of Chicago, Corporate Trust Department, One First National Plaza, Chicago, IL 60670

Registrar
United States Trust Company of New York, 130 John Street, New York, NY 10038

Co-Registrars
The Northern Trust Company, 50 South LaSalle Street, Chicago, IL 60690

Wells Fargo Bank, NA, Corporate Trust Department, 475 Sansome Street, San Francisco, CA 94120

Japanese Shareholder Service Organization and Paying Bank
The Yasuda Trust and Banking Company, Limited, Stock Transfer Department, Yasuda Seimei Daini Building, 10-1, Nishi Shinjuki 1-chome, Shinjuku-ku, Tokyo, Japan

Citicorp Stock Listed
New York Stock Exchange
Midwest Stock Exchange
Pacific Stock Exchange
London Stock Exchange
Amsterdam Stock Exchange
Tokyo Stock Exchange
Zurich Stock Exchange
Geneva Stock Exchange
Basel Stock Exchange

Citicorp/Citibank
399 Park Avenue
New York, NY 10043
212/559-1000

CITICORP

Form No. F5

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1518]

Company number FI835

Name of company

CITIBANK, N.A.

*Insert country of origin

Incorporated in†

Place of business in Great Britain established at 336 Strand, London, WC2; 240 Belmont Road, Belfast, Northern Ireland; Abbey House, 74/76 Mosley Street, Manchester; 4 St. Colme Street, Edinburgh, Scotland; 7th Floor, Edgbaston House, 3 Duchy Place, Hagley Road, Birmingham

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On 1st August, 1982 the following changes took place re Directors of Citibank, N.A.:

Resignations Mr. W.I. Spencer and Mr. S.G. Eyre

New Directors: Mr. H.H. Angermueller, Mr. I.S. Reed and Mr. T.C. Theobald

Particulars of director or secretary

Name (note 3) Mr. Hans H. Angermueller

Former name(s) (note 4)

Address (note 5) 1 Surrey Road, Summit, New Jersey, USA

Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time business occupation at Citibank, N.A.	U.S.A.

Presentor's name, address and reference (if any):

Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512

For official use

General section

Post room

COMPANIES REGISTRATION OFFICE M 24 AUG 1982

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block letters

Name (note 3) Mr. John S. Reed	
Former name(s) (note 4)	
Address (note 5) 7 Parsonage Road, Greenwich, Connecticut, USA	
Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time business occupation at Citibank, N.A.	U.S.A.

Name (note 3) Mr. Thomas C. Theobald	
Former name(s) (note 4)	
Address (note 5) Wildcat Road, Darien, Connecticut, USA	
Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time business occupation at Citibank, N.A.	U.S.A.

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 23 August, 1982

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

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Companies GF5 **** 193

Form No. F5

THE COMPANIES ACTS 1948 TO 1980

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

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To the Registrar of Companies

For official use: L1512

Company number: F 1835

Please complete legibly, preferably in black type, or bold block lettering

Name of company

CITIBANK, N.A.

Incorporated in U.S.A.

(insert country of origin)

Place of business in Great Britain established at 336 Strand, London, WC2R 1HB;

240 Belmont Road, Belfast, Northern Ireland; Abbey House, 74/76 Mosley Street, Manchester; 4 St. Colme Street, Edinburgh, Scotland; 7th Floor Edgbaston House, 3 Duchy Place, Hagley Road, Birmingham

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

Resignations of Directors: Mr. E.L. Palmer (as at 1st September, 1982)
Mr. H.J. Haynes (as at 1st October, 1982)

New Director: Mr. Stephen C. Eyre (as at 21st September, 1982)

Particulars of director or secretary

Name (note 3) Stephen C. Eyre

Former name(s) (note 4)

Address (note 5) 25 Underhill Road, Locust Valley, New York 11560

Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time occupation as Secretary of Citibank, N.A.	U.S.A.

Presentor's name, address and reference (if any):

Citibank, N.A.
336 Strand
London WC2R 1HB
(Attention Mr. D.M. Eichenberger, VP)
Ref: L1512

For official use
General section

Post room

COMPANIES REGISTRATION OFFICE M -9 OCT 1982

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars of directors (continued)

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 7th October, 1982

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm, the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

G

1. Microfiche Liaison
   Room GO1.E
2. Microfiche Library
   Room GO6
3. Repository
   1st Floor

RE-INSTATEMENT OF AN OVERSEAS COMPANY

Company Number
F 1835

Company name:- CITIBANK N.A.

.....

The public record for the above company is no longer considered to be closed.

J. M. Rees

for Registrar

Date: 2 NOV 1982

C.477

Cdf 4067/1/C58022 500 10/82 TP

Form No. F5

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use 1612

Company number F 1835

Name of company

CITIBANK, N.A.

Incorporated in† U.S.A.

†Insert country of origin

Place of business in Great Britain established at

336 Strand, London WC2R 1HB; Abbey House, 74/76 MosleyS treet, Manchester; Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

Messrs Evans, F ouraker and Smith have changed their addresses as shown on this form.

Particulars of director ~~or secretary~~

Name (note 3) James H. Evans

Former name(s) (note 4) -

Address (note 5) 200 East 66th Street, Apt. C2103 New York, New York 10021

Business occupation or particulars of one other directorship (note 6)	Nationality
Chairman & Chief Executive Officer of Union Pacific Corporation	American

Presentor's name, address and reference (if any):

Citibank, N.A.
336 Strand, London WC2R 1HB

For attentionof Mr. D.M. Eichenberger, VP

Ref: L1512

For official use
General section

Post room

COMPANIES REGISTRATION OFFICE M 31 MAR 1933 10

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3) Dr. Lawrence E. Fouraker	
Former name(s) (note 4)	
Address (note 5) 80 Fernwood Road, Chestnut Hill, Massachusetts 02167	
Business occupation or particulars of one other directorship (note 6)	Nationality
Professor Graduate School of Business admin, Harvard University	American

Name (note 3) Mr. Darwin E. Smith	
Former name(s) (note 4)	
Address (note 5) N7933 State Park Road, Menasha, Wisconsin 54952, USA	
Business occupation or particulars of one other directorship (note 6)	Nationality
Chairman and Chief Executive Officer, Kimberly-Clark Corporation	American

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

[signature]

Doris M. Eichenberger
Vice President

Date 30th March, 1983

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

Form No. F5

THE COMPANIES ACTS 1948 TO 1980

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

Please do not write in this binding margin

To the Registrar of Companies

For official use

Company number F 1835

Please complete legibly, preferably in black type, or bold block lettering

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† New York, USA

Place of business in Great Britain established at

336 Strand, London WC2; Abbey House, 74/76 Mosley Street, Manchester; Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On March 15, 1983 Mr. Stephen C. Eyre resigned as Director and Secretary of Citibank, N.A. and Mr. Paul H. Kolterjahn was appointed in his place.

Particulars of director ~~and~~ secretary

Name (note 3) PAUL H. KOLTERJAHN

Former name(s) (note 4) -

Address (note 5) 644 Shackamaxon Drive, Westfield, New Jersey 07090, USA

Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time occupation as Secretary of Citibank, N.A.	American

Presentor's name, address and reference (if any):

Citibank, N.A.
336 Strand, London WC2R 1HB
For attention of Mr. D.M. Eichenberger, VP

Ref: L1512

For official use
General section

Post room

COMPANIES REGISTRATION OFFICE 6 APR 1983

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 5th April 1983

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated

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4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

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Please do not write in this binding margin

THE COMPANIES ACTS 1948 TO 1980

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

Form No. F5

F5

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1614]

Company number F 1835

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† New York, USA

Place of business in Great Britain established at

336 Strand, London WC2; Abbey House, 74/76 Mosley Street, Manchester; Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham; 4 St. Colme Street, Edinburgh

Note
Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On 21st June, 1983 Mr. William E. Simon resigned as a Director of Citibank, N.A.

Particulars of director or secretary

Name (note 3)

Former name(s) (note 4)

Address (note 5)

Business occupation or particulars of one other directorship (note 6)	Nationality

Presentor's name, address and reference (if any):

Citibank, N A
336 Strand,
London WC2R 1HB

For attention of Mr. D.M. Eichenberger, VP

Ref: L1512

For official use
General section

Post room

COMPANIES REGISTRATION OFFICE 13 JUL 1983

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	**Nationality**

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	**Nationality**

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.	Denise M. Eichenberger Vice President
Date 12 July 1983	

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

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4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

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b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

Form No. F4

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the charter, statutes, etc., of an oversea company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

F4

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use | Company number

F 1835

Name of Company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* U.S.A.

Place of business in Great Britain established at

336 Strand, London WC2R 1HB; Abbey House, 74/76 Mosley Street, Manchester; Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham; 4 St. Colme Street, Edinburgh

†Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be. (See notes overleaf)

Return of alteration in the† Articles of Association and By-Laws

constituting or defining the constitution of the above-named company

Note

A certified copy of the alteration or a certified copy of the new deed, if one has been executed, and a certified translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified copy of Articles of Association as amended effective August 1, 1982 and By-Laws as amended effective September 1, 1982.

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company

Denis M. Eichenberger
Vice President

Date 7th September 1983

Presentor's name, address and reference (if any):

For attention of
Mr.D.M.Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512

For official use

New Companies Section | Post room

COMPANIES REGISTRATION OFFICE - 8 SEP 1983

CONT F1835
166

CITIBANK

ARTICLES OF ASSOCIATION
AS AMENDED EFFECTIVE
AUGUST 1, 1982

BY-LAWS
AS AMENDED
EFFECTIVE SEPTEMBER 1, 1982

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED EFFECTIVE AUGUST 1, 1982

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

[*Page One*

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however,* that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further,* that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

Page Two]

The undersigned duly qualified Secretary of Citibank, N.A., a national banking association, hereby certifies that the foregoing is a true and complete copy of the Articles of Association of said Bank.

PATRICK A. WALSH
Notary Public, State of New York
No. 24—41444
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1985

Subscribed and sworn before me May 26 1983

Pat A. Walsh

CITIBA

BY-

ART

MEETINGS OF

SECTION 1. *Annual Meetin*
of the shareholders, for the
transaction of whatever othe
meeting, shall be held at the
55 Wall Street, Borough of M
such other place as the Board
the third Tuesday of March
meeting shall be mailed, pos
prior to the date thereof, addr
address appearing on the b
that it shall not be necessa
shareholder with whom com
any law of the United State
enacted or amended, or in an
or executive order issued th
waived in writing before, a
validity of such meeting and
not be affected by any failu
shareholder, or by any irreg
any cause, an election of di
day, the Board of Directors s
on some subsequent day, as
according to the provisions
be given in the manner h
meeting.

CITIBANK, N.A.

BY-LAWS

ARTICLE I

MEETINGS OF SHAREHOLDERS

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of March of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTI

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SECTION 1. *Board of Direc*
shall have power to manage a
affairs of the Association. E
law, all corporate powers of t
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SECTION 2. *Number.* The
of such number, not less than
as from time to time shall be d
votes to which all shareholder

SECTION 3. *Organization M*
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election, shall notify the direc
of the time at which they are
Office of the Association, or su
Directors may designate, for
new Board and electing an
Association for the succeeding
appointed to be held on the
thereafter as practicable, and
days thereof. If, at the time
shall not be a quorum prese
adjourn the meeting, from ti
obtained.

SECTION 4. *Regular Meetin*
Board of Directors shall be he
Tuesday of each calendar mo
Association at such time as s

xcept as otherwise specifi-
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y purpose at any time by
lders of not less than ten
tion. Every such special
by law, shall be called by
han ten days prior to the
each shareholder at his
the Association, a notice
ng. Such notice may be
at, such meeting.

Every election of directors
who shall be appointed by
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or by proxy, shall consti-
of shareholders, unless
ss than a quorum may
time, and the meeting
out further notice. A
n every question or mat-
at any meeting, unless
Articles of Association.

ARTICLE II

Directors

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

SECTION 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

SECTION 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of

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Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence any Vice Chairman who is a member of the Board of Directors; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

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SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall be composed of the Chairman and any Vice Chairman who is a member of the Board of Directors, who shall be ex-officio members, and six additional Directors, not officers or employees of the Bank or any affiliate of the Bank, appointed by the Board, who shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings of the Executive Committee shall be held upon call of the Chairman, or in his absence any Vice Chairman who is a member of the Committee. A majority of the members of the Executive Committee, including at least one ex-officio member, shall constitute a quorum at any meeting of the Committee, and the vote of a majority of the members present at any such meeting at which a quorum is present shall suffice for the transaction of business. Notice of any meeting shall be given to each director in the manner provided in Section 6 of Article II for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors.

SECTION 3. *Examining Committee.* There shall be an Examining Committee composed of not less than five members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association

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SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

[*Page Seven*

SECTION 3. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman and the President, their powers and duties shall be exercised, to the extent permitted by law, by the Vice Chairman, or if there be more than one Vice Chairman present, by the one of them first appointed to such office. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 4. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association, each of whom shall exercise such powers and perform such duties as may be prescribed or further prescribed from time to time by the Board of Directors, the Chairman, or any Vice Chairman. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

SECTION 5. *Executive Vice Presidents.* The Board of Directors may appoint one or more Executive Vice Presidents of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, or any Vice Chairman. Each Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as

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SECTION 6. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 7. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to

him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 9. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 10. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors.

SECTION 11. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to senior officers down through the level of Executive Vice President and may, upon designation by the senior officers down through the level of Senior Executive Vice President, delegate the Senior Vice Presidents reporting directly to these senior officers, authority to appoint, dismiss and fix salaries

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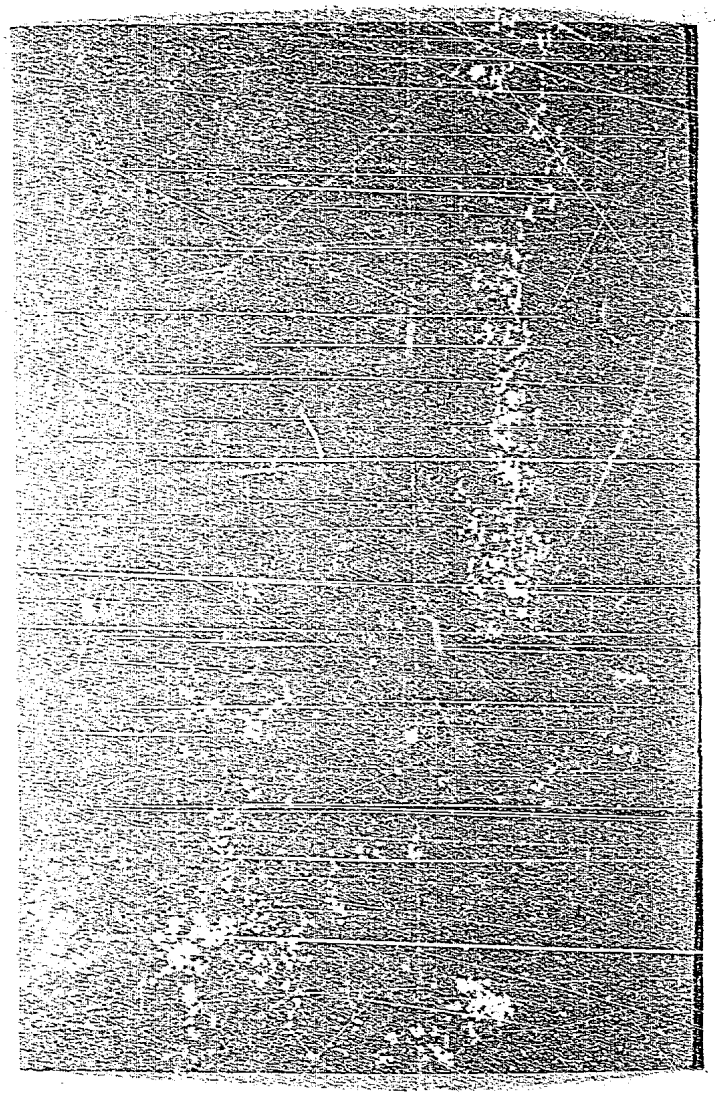

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED EFFECTIVE AUGUST 1, 1982

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $60,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however,* that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further,* that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

The undersigned duly qualified Secretary of Citibank, N.A., a national banking association, hereby certifies that the foregoing is a true and complete copy of the Articles of Association of said Bank.

PATRICK A. WALSH
Notary Public, State of New York
No. 24—4144
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1975

Subscribed and sworn before me this 26th day of May, 1967

Pat A. Walsh

CITIBANK, N.A.

BY-LAWS

ARTICLE I

Meetings of Shareholders

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of March of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

DIRECTORS

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

SECTION 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

SECTION 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of

Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence any Vice Chairman who is a member of the Board of Directors; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall be composed of the Chairman and any Vice Chairman who is a member of the Board of Directors, who shall be ex-officio members, and six additional Directors, not officers or employees of the Bank or any affiliate of the Bank, appointed by the Board, who shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings of the Executive Committee shall be held upon call of the Chairman, or in his absence any Vice Chairman who is a member of the Committee. A majority of the members of the Executive Committee, including at least one ex-officio member, shall constitute a quorum at any meeting of the Committee, and the vote of a majority of the members present at any such meeting at which a quorum is present shall suffice for the transaction of business. Notice of any meeting shall be given to each director in the manner provided in Section 6 of Article II for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors.

SECTION 3. *Examining Committee.* There shall be an Examining Committee composed of not less than five members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association

and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 3. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman and the President, their powers and duties shall be exercised, to the extent permitted by law, by the Vice Chairman, or if there be more than one Vice Chairman present, by the one of them first appointed to such office. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors or the Chairman.

SECTION 4. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association, each of whom shall exercise such powers and perform such duties as may be prescribed or further prescribed from time to time by the Board of Directors, the Chairman, or any Vice Chairman. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

SECTION 5. *Executive Vice Presidents.* The Board of Directors may appoint one or more Executive Vice Presidents of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, or any Vice Chairman. Each Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as

may from time to time be assigned to him by the Board of Directors, the Chairman, or any Vice Chairman.

SECTION 6. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 7. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to

him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 9. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 10. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors.

SECTION 11. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to senior officers down through the level of Executive Vice President and may, upon designation by the senior officers down through the level of Senior Executive Vice President, delegate the Senior Vice Presidents reporting directly to these senior officers, authority to appoint, dismiss and fix salaries

to be paid Vice Presidents within the respective senior officers' areas of supervision. Each Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 12. *Deputy Chief Auditors.* The Board of Directors may appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Chief Auditor or by the Board of Directors.

SECTION 13. *Other Officers.* The Board of Directors may appoint one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers and attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, or any Vice Chairman may appoint, dismiss, and fix the salaries to be paid any such officers and attorneys-in-fact other than officers in the Chief Auditor's Division; and like authority may be exercised by such officer having supervision of a major administrative unit, group, or department of the Association as may be specified by the Board of Directors, with respect to attorneys-in-fact and such officers, if assigned to such administrative unit, group, or department. The officers and attorneys-in-fact so appointed shall respectively exercise such powers and perform such duties as pertain to

their several offices or as may, from time to time, be conferred upon them by Power of Attorney, or assigned to them by the Board of Directors, the Chairman, the President, any Vice Chairman, or the appointing officer.

SECTION 14. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the Chairman, the President, any Vice Chairman, or any other officer of the Association authorized by any of them, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

SECTION 15. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman,

the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the foreign branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may

select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

FIDUCIARY POWERS

SECTION 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors or the Chairman, and each such department may be divided into subdivisions having such titles as the Chairman may from time to time designate. All the books and records of

such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the

select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

FIDUCIARY POWERS

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such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

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Chairman, the President, any Vice Chairman, any Senior Executive Vice President, any Executive Vice President, any Senior Vice President, the Secretary, any Vice President, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

STOCK AND STOCK CERTIFICATES

SECTION 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

SECTION 2. *Stock Certificates.* Certificates of stock shall bear the signature of the Chairman (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

SECTION 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

CORPORATE SEAL

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

ARTICLE X

MISCELLANEOUS PROVISIONS

SECTION 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

SECTION 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, or any Vice Chairman, or any Senior Executive Vice President, or any Executive Vice President, or the Chairman Credit Policy Committee, or the Chairman Economic Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

SECTION 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be

recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

SECTION 4. *Banking Hours.* The Head Office of the Association shall be open for business from 10 o'clock, A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE XI

BY-LAWS

SECTION 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

SECTION 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

SECTION 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of CITIBANK, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this 26 day of May, 19[illegible]

Secretary

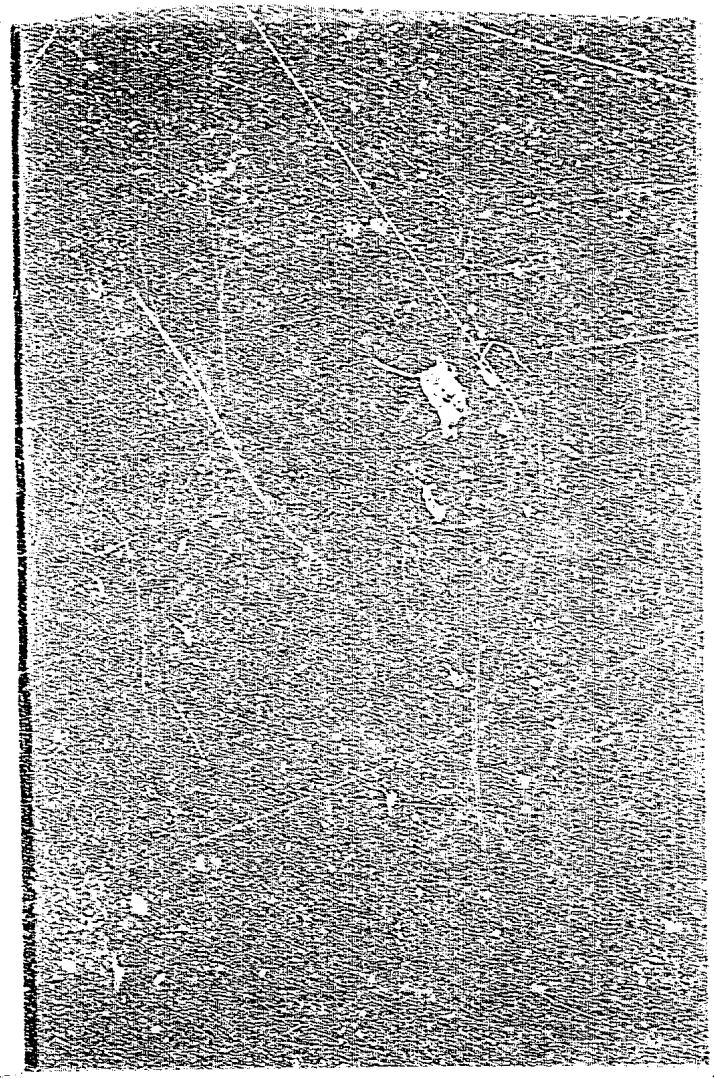
WITNESSES:

UNITED STATES OF AMERICA,)
STATE OF NEW YORK) SS:
COUNTY OF NEW YORK,)

On this 26 day of MAY..., 1967, before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Paul H. Kolterjahn, domiciled in Westfield, New Jersey, to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Paul H. Kolterjahn is duly authorized to affix the same to said certificate.

Pat A. Walsh
Notary Public

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1968



THE COMPANIES ACTS 1948 TO 1981

Form No. F6

Return of alteration in the names and addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use [7165] Company number F 1835

Name of company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* U.S.A.

Place of business in Great Britain established at

336 Strand, London WC2: Abbey House 74/76 Mosley Street, Manchester
Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham; 4 St. Colme Street, Edinburgh

Note Please read notes overleaf before completing this form

Particulars of alteration:

MR. KENT DEMERS PRICE (a citizen of the USA), of 336 Strand, London WC2R 1HB is with effect from today joined with Mr. David Van Pelt and Mr. Denis Martin Eichenberger, being the persons resident in Great Britain authorised to accept service on behalf of Citibank, N.A.

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company

Kent Demers Price

Denis Martin Eichenberger

Date - 5 SEP 1983

Presentor's name, address and reference (if any):

For attention of Mr. D.M.Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

For official use

General section

Post room

COMPANIES REGISTRATION OFFICE M - 7 SEP 1983 42

Form No. F4

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the charter, statutes, etc., of an overseas company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

F4

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use [ ] Company number F1835

Name of Company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* USA

Place of business in Great Britain established at

336 Strand, London WC2; Abbey House, 74/76 Mosley Street, Manchester; Edgbaston House, 3 Duchess Place, Edgbaston, Birmingham; 4 St.Colme Street, ~~Edinburgh, Scotland~~

†Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be. (See notes overleaf)

Return of alteration in the† ~~Articles of Association and By-Laws~~

constituting or defining the constitution of the above-named company

Note

A certified copy of the alteration or a certified copy of the new deed, if one has been executed, and a certified translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified copy of Articles of Association as amended effective August 1, 1982 and By-Laws as amended effective January 1, 1984.

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company

Dennis M. Eichenberger
Vice President

Date 6 April 1984

Presentor's name, address and reference (if any):

For the attention of Mr.D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512

For official use

Now Companies Section | Post room

COMPANIES REGISTRATION M 25 APR 1984 34 OFFICE

Form No. F5

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number F1835

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† New York, USA

Place of business in Great Britain established at

336 Strand, London WC2R 1HB; Manchester; Birmingham; Edinburgh; Bristol; Reading; Cambridge; Aberdeen; Tonbridge - addresses as per attached list

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On 1 September 1984 Mr. W.B. Wriston resigned from the Board and on 8 September 1984 Mr. C.H. Chandler and Mr. J.D. Farley were elected Directors of Citibank, N.A.

Particulars of director or secretary

Name (note 3) COLBY H. CHANDLER

Former name(s) (note 4)

Address (note 5) 51 Taylor Road, Honeoye Falls, New York, USA

Business occupation or particulars of one other directorship (note 6)	Nationality
Eastman Kodak Company -Chairman & Chief Executive	American

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

ref: L1512

For official use

General section

Post room

COMPANIES REGISTRATION M 10 OCT 1984 OFFICE

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3) JAMES D. FARLEY	
Former name(s) (note 4)	
Address (note 5) 1 Pheasant Lane, Greenwich, Connecticut, USA	
Business occupation or particulars of one other directorship (note 6) Full-time business occupation at Citibank NA	Nationality American

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 9 October 1984

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

G

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

Form No. F5

F5

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1712]

Company number F1835

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† NEW YORK, USA

Place of business in Great Britain established at

336 Strand, London WC2; Manchester; Birmingham; Edinburgh; Bristol; Reading; Cambridge; Aberdeen; Tonbridge - addresses as per attached list

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On November 20, 1984 Mr. H.J. Haynes was elected to the Board of Citibank, N.A.

Particulars of director or secretary

Name (note 3) HAROLD JEAN HAYNES

Former name(s) (note 4)

Address (note 5)

424 Woodland Road, Kentfield, California

Business occupation or particulars of one othe: directorship (note 6)

Senior Counselor of Bechtel Group, Inc.

Nationality American

Presentor's name, address and reference (if any):

D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use

General section

Post room

COMPANIES REGISTRATION OFFICE M 17 DEC 1984

Particulars of directors (continued)

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis W. Eichenberger
Vice president

Date 14 December 1984

write binding

Please complete legibly, preferably in black type, or bold block lettering

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	4 St Colme Street Edinburgh, EH3 6AA

ENGLAND

LONDON:	336 Strand, London WC2R 1HB
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 EH
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

Form No. F5

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1715]

Company number F1835

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† NEW YORK, USA

Place of business in Great Britain established at

See attached list.

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

Resignation : Mr. J.P. Grace on 31 May, 1985

Election as Director: Mr. Charles E. Long on 18 June, 1985

Particulars of director or secretary

Name (note 3) CHARLES E. LONG

Former name(s) (note 4)

Address (note 5) 14 Maple Way, Armonk, New York 10514, USA

Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time occupation as Executive Vice President of Citibank, N.A.	American

Presenter's name, address and reference (if any):

D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use
General section

Post room

COMPANIES REGISTRATION M 25 JUN 1985 18 OFFICE

Particulars of directors (continued)

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Date 24 JUNE 1985

Please write in block letters, preferably in black type, or bold block lettering

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU
Companies GFS
F2604 9.82
★ ★ ★ ★ ★

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 11.6.85

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	4 St Colme Street Edinburgh, EH3 6AA
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 8H
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

Form No. F5

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

F5

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [LIM16]

Company number F1835

Name of company

CITIBANK, N.A.

Incorporated in NEW YORK, USA

Insert country of origin

Place of business in Great Britain established at

SEE ATTACHED LIST

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On 17 September, 1985 Mr. Paul Kolterjahn and Mr. Charles E. Long resigned as Directors and Mr. R.S. Braddock, Mr. P.J. Collins and Mr. L.M. Small were elected Directors.

Particulars of director or secretary

Name (note 3) Richard S. Braddock

Former name(s) (note 4)

Address (note 5) 10 Gracie Square, Apt. 9-F, New York, NY, USA

Business occupation or particulars of one other directorship (note 6): Full-time occupation as Executive Vice President of Citibank, N.A.

Nationality: Americna

Presentor's name, address and reference (if any):

D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB
Our Ref: L1512

For official use
General section

Post room

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3) Paul J. Collins	
Former name(s) (note 4)	
Address (note 5) 950 Park Avenue, New York, NY, USA	
Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time occupation as Executive Director of Citibank, N.A.	American

Name (note 3) Lawrence M. Small	
Former name(s) (note 4)	
Address (note 5) 11 Sutton Place, New York, NY, USA	
Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time occupation as Exective Vice President of Citibank, N.A.	American

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 16 Oct 85

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years, or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

Oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU
Companies GFS
12594 0 87
* * * * *

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 11.6.85

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	4 St Colmo Street Edinburgh, EH3 6AA
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
"	41 Berkeley Square, London W1X 6NA
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 8H
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

Form No. F6

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the names and addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

F6

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use [ ]

Company number F 1835

Name of company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* U.S.A.

Place of business in Great Britain established at

See attached list

Note Please read notes overleaf before completing this form

Particulars of alteration:
MR. DAVID VAN PELT and MR. KENT deM. PRICE both of Citibank House, 336 Strand, London WC2R 1HB (both citizens of the USA) are replaced by

MR. CHARLES YOUNG (a citizen of the USA), of Citibank House, 336 Strand, London WC2R 1HB

and there is no change in respect of :
MR. DENIS MARTIN EICHENBERGER (a citizen of Switzerland) of Citibank House, 336 Strand, WC2

who are now authorised to accept on behalf of the company service of process and notices required to be served on it.

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company

Charles Young

Date 10-1-1986

D.M. Eichenberger

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use
General section

Post room

13 JAN 1986

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 8.1.86

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	4 St Colme Street Edinburgh, EH3 6AA
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
"	41 Berkeley Square, London W1X 6NA
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 EH
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

Form No. F5

THE COMPANIES ACTS 1948 TO 1981

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976.

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1719]

Company number F 1835

Name of company

CITIBANK, N.A.

†Insert country of origin

Incorporated in† USA

Place of business in Great Britain established at

See attached list

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

Mr. Clifton C. Garvin, Mr. Darwin E. Smith and Mr. Thomas C. Theobald have all changed their addresses - see below.

Particulars of director or secretary

Name (note 3) Clifton C. Garvin	
Former name(s) (note 4)	
Address (note 5) 33 Baldwin Farms Road, So. Greenwich, Connecticut 06830	
Business occupation or particulars of one other directorship (note 6)	Nationality
Chairman of the Board & Chief Executive officer of Exxon Corporation	USA

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

For official use

General section

Post room

COMPANIES REGISTRATION OFFICE -2MAY1986 M 17

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3) Darwin E. Smith	
Former name(s) (note 4)	
Address (note 5) 4365 North O'Connor, Irving, Texas 75062	
Business occupation or particulars of one other directorship (note 6)	Nationality
Chairman of the Board & Chief Executive Officer Kimberly-Clark Corporation	USA

Name (note 3) Thomas C. Theobald	
Former name(s) (note 4)	
Address (note 5) 860 United Nations Plaza, New York, NY 10019	
Business occupation or particulars of one other directorship (note 6)	Nationality
Full-time business occupation at Citibank, N.A.	USA

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Date 30 April 1986

Denis M. Eichenberger
Vice President

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU
Companies GF5
C2594 9.82
★ ★ ★ ★ ★

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 17.4.86

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	Capital House 2 Festival Square Edinburgh, EH3 9SU
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
"	41 Berkeley Square, London W1X 6NA
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 EH
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

Form No. F4

THE COMPANIES ACTS 1948 TO 1976

Return of alteration in the charter, statutes, etc., of an oversea company

Pursuant to section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976

F4

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

For official use [1178] Company number F 1835

Name of Company

CITIBANK, N.A.

*Insert country of origin.

Incorporated in* USA

Place of business in Great Britain established at

See attached list

†Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be. (See notes overleaf)

Return of alteration in the† Articles of Association and By-Laws

constituting or defining the constitution of the above-named company

Note

A certified copy of the alteration or a certified copy of the new deed, if one has been executed, and a certified translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified copy of Articles of Association as amended effective September 24, 1985 and By-Laws as amended effective October 1, 1985

Signature(s) of the person(s) authorised under section 407(1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company

Denis M. Eichenberger
Vice President

Date 30 APR 1986
April 1986

Presentor's name, address and reference (if any):

For attention of Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512

For official use
New Companies Section

Post room

COMPANIES REGISTRATION M - 2 MAY 1986 17 CENT

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 17.4.86

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	Capital House 2 Festival Square Edinburgh, EH3 9SU
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
"	41 Berkeley Square, London W1X 6NA
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 EH
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

CITIBANK

ARTICLES OF ASSOCIATION

AS AMENDED EFFECTIVE

SEPTEMBER 24, 1985

BY-LAWS

AS AMENDED

EFFECTIVE OCTOBER 1, 1985

COMPANIES REGISTRATION
M
-2 MAY 1986

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED EFFECTIVE SEPTEMBER 24, 1985

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

The Association, at any time and from time to time, may authorize and issue debt obligations whether or not subordinated without the prior approval of shareholders.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of

Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

The undersigned duly qualified Secretary of Citibank, N.A., a national banking association, hereby certifies that the foregoing is a true and complete copy of the Articles of Association of said Bank.

PATRICK A. WALSH
Notary Public, State of New York
Subscribed and sworn before me
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 30, 1987

JANUARY 16, 1986

Pat A. Walsh

CITIBANK, N.A.

BY-LAWS

ARTICLE I

MEETINGS OF SHAREHOLDERS

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directo. may designate, on the third Tuesday of March of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

DIRECTORS

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

SECTION 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

SECTION 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of

the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence any Vice Chairman who is a member of the Board of Directors; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary. Members of the Board of Directors may participate in such special meetings through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise

provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall

be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall be composed of the Chairman and any Vice Chairman who is a member of the Board of Directors, who shall be ex-officio members, and six additional Directors, not officers or employees of the Bank or any affiliate of the Bank, appointed by the Board, who shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings of the Executive Committee shall be held upon call of the Chairman, or in his absence any Vice Chairman who is a member of the Committee. A majority of the members of the Executive Committee, including at least one ex-officio member, shall constitute a quorum at any meeting of the Committee, and the vote of a majority of the members present at any such meeting at which a quorum is present shall suffice for the transaction of business. Notice of any meeting shall be given to each director in the manner provided in Section 6 of Article II for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors. Members of the Executive Committee may participate in meetings of the Executive Committee through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

SECTION 3. *Examining Committee.* There shall be an Examining Committee composed of not less than five members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs

of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine. Members of such other committees may participate in meetings of those committees through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another. Each committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors, and any action taken by the Board with respect thereto shall be entered into the minutes of the Board.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of

the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 3. *Vice Chairmen/Sector Executives.* The Board of Directors may appoint one or more Vice Chairmen/Sector Executives of the Association. In the absence of the Chairman and the President, and in the order of their appointment to the office, the Vice Chairmen shall exercise the powers and duties of the Chairman related to Shareholder Meetings, meetings of the Board of Directors, and Executive Committee of the Board of Directors. In the absence of the Chairman, the President and the Vice Chairmen, the Sector Executive, or, if more than one, that Sector Executive who has the longest total service with the Association will act in the capacities defined in this Section 3 above. The Vice Chairmen/Sector Executives shall have general executive powers as well as the specific powers conferred by these By-laws. Each of them shall also have such powers and duties as may from time to time be assigned by the Board of Directors or the Chairman.

SECTION 4. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association, each of whom shall exercise such powers and perform such duties as may be prescribed or further prescribed from time to time by the Board of Directors, the Chairman, or any Sector Executive. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

SECTION 5. *Executive Vice Presidents/Group Executives.* The Board of Directors may appoint one or more Executive Vice Presidents/Group Executives of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, or any Sector Executive. Each Executive Vice President/Group Executive shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, or any Sector Executive.

SECTION 6. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of

Directors, the Chairman, the President, or any Sector Executive.

SECTION 7. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 9. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-

Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman, or any Sector Executive.

SECTION 10. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors.

SECTION 11. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to officers of the rank of Senior Vice President or higher, as designated by the Chairman or any Sector Executive, authority to appoint, dismiss and fix salaries to be paid Vice Presidents within the respective officers' areas of supervision. Each Vice President shall have specific powers conferred by these By-Laws and such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 12. *Deputy Chief Auditors.* The Board of Directors may appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Chief Auditor or by the Board of Directors.

SECTION 13. *Other Officers.* The Board of Directors may establish senior officer positions equivalent to and having

duties and powers the same as those officers mentioned in the preceding Sections of this Article IV. The Board of Directors may also appoint one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers and attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, or any Sector Executive may appoint, dismiss, and fix the salaries to be paid any such officers and attorneys-in-fact other than officers in the Chief Auditor's Division; and like authority may be exercised by such officer having supervision of a major administrative unit, group, or department of the Association as may be specified by the Board of Directors, with respect to attorneys-in-fact and such officers, if assigned to such administrative unit, group, or department. The officers and attorneys-in-fact so appointed shall respectively exercise such powers and perform such duties as pertain to their several offices or as may, from time to time, be conferred upon them by Power of Attorney, or assigned to them by the Board of Directors, the Chairman, the President, any Sector Executive, or the appointing officer.

SECTION 14. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the Chairman, the President, any Sector Executive, or any other officer of the Association authorized by any of them, may appoint and dismiss all or any clerks,

agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

SECTION 15. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a

foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the foreign branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify

with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

FIDUCIARY POWERS

SECTION 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors or the Chairman, and each such department may be divided into subdivisions having such titles as the Chairman may from time to time designate. All the books and records of such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and

employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman, the President, any Vice Chairman/Sector Executive, any Senior Executive Vice President, any Group Executive/Executive Vice President, any Senior Vice President, the Secretary, any Vice President, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the

Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

STOCK AND STOCK CERTIFICATES

SECTION 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

SECTION 2. *Stock Certificates.* Certificates of stock shall bear the signature of the Chairman (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

SECTION 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor

shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

CORPORATE SEAL

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:

ARTICLE X

Miscellaneous Provisions

Section 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

Section 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, or any Vice Chairman/Sector Executive, or any Senior Executive Vice President, or any Executive Vice President/Group Executive, or the Chairman Credit Policy Committee, or the Chairman Economic Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

Section 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

Section 4. *Banking Hours.* The Head Office of the Association shall be open for business from 10 o'clock, A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE XI

By-Laws

Section 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

Section 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of CITIBANK, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this 16th day of JANUARY, 1986.

Paul Kolterjahn
Secretary

WITNESSES:
[illegible]
[illegible]

UNITED STATES OF AMERICA,
STATE OF NEW YORK } ss:
COUNTY OF NEW YORK,

On this 16th day of JANUARY, 1986, before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Paul H. Kolterjahn, domiciled in Westfield, New Jersey, to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Paul H. Kolterjahn is duly authorized to affix the same to said certificate.

Pat A. Walsh
Notary Public

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144115
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 30, 1987

THE COMPANIES ACTS 1948 TO 1981

Form No. F8

Return of alteration in the directors or secretary of an oversea company or in their particulars

Pursuant to section 400(1) of the Companies Act 1948 as amended by the Companies Act 1976.

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1181]

Company number F 1835

Name of company

CITIBANK, N.A.

Insert country of origin

Incorporated in USA

Place of business in Great Britain established at

See attached list

Note Please read notes overleaf before completing this form

hereby notifies you in accordance with section 409(1) of the Companies Act 1948 as amended by the Companies Act 1976 that:

On the 18 March, 1986 Mr. John P. Harbin retired as a Director of the Company and Dr. Juanita M. Kreps was appointed a Director thereof.

Particulars of director or secretary

Name (note 3) Juanita M. Kreps

Former name(s) (note 4)

Address (note 5) 3511 Cambridge Drive, Durham, North Carolina, USA

Business occupation or particulars of one other directorship (note 6)	Nationality
Former United States Secretary of Commerce	American

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.,
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use
General section

LEGIBILITY DATE
- 6 MAY 1986
CRO

Post room

COMPANIES REGISTRATION
- 3 MAY 1986

Particulars of directors (continued)

Please do not write in this binding margin

Please complete legibly, preferably in black type, or bold block lettering

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Name (note 3)	
Former name(s) (note 4)	
Address (note 5)	
Business occupation or particulars of one other directorship (note 6)	Nationality

Signature(s) of the person(s) authorised under section 407 (1)(c) of the Companies Act 1948, or of some other person in Great Britain duly authorised by the company.

Denis M. Eichenberger
Vice President

Date 1 May, 1986

Notes

1 If the space allowed is insufficient, the names and particulars must be entered on the prescribed continuation sheet(s).

2 This return must be delivered to the Registrar of Companies within 21 days after the date on which particulars of the alteration could, in the ordinary course of post, have been received in Great Britain from the place where the company is incorporated.

3 Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. 'Christian name' includes a forename, and 'surname' in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation, its corporate name must be given.

4 In the case of an individual, any former Christian names and surname must be given in addition. The expression 'Christian name' includes a forename.

'Former Christian name' and 'former surname' do not include:

a in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or

b in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than twenty years; or

c in the case of a married woman, the name or surname by which she was known previous to the marriage.

5 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

6 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

7 Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office address. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

ADDRESSES OF CITIBANK, N.A. OFFICES IN ENGLAND AND SCOTLAND - as at 17.4.86

ABERDEEN:	25 Rubislaw Terrace, Aberdeen, AB1 1XE
EDINBURGH:	Capital House 2 Festival Square Edinburgh, EH3 9SU
GLASGOW:	1 Woodside Place Glasgow, G3 7QF
ENGLAND	
LONDON:	336 Strand, London WC2R 1HB
"	41 Berkeley Square, London W1X 6NA
BIRMINGHAM:	7th Floor, Edgbaston House 3 Duchess Place, Hagley Road Birmingham, B16 8NM
BRISTOL:	1 Portland Square, Bristol, BS2 8RR
CAMBRIDGE:	Carlyle House, Carlyle Road, Cambridge, CB4 3DH
LEEDS:	5 Lisbon Square, Leeds, LS1 4LY
MANCHESTER:	Abbey House, 74/76 Mosley Street, Manchester, M23 EH
READING:	Kings Lodge, 194 Kings Road, Reading, RG1 4NG
TONBRIDGE:	Bank House, Bank Street, Tonbridge, TN9 1BL

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number F1835

Name of company

* CITIBANK, N.A.

* enter present corporate name

notifies you that:

§ Effective 1 January, 1987 Mr. Amory Houghton resigned as a Director of the Company.

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

Note

Please read notes overleaf before completing this form

Particulars of director or secretary

Name (notes 3 and 6)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship† (note 5)	Nationality†

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand, London WC2R 1HB

Our Ref: L1512

For official Use
General Section

Post room

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][~~Secretary~~][Person Authorised]† Date 19.1.87 † delete as appropriate

R.M. Eisenberger

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

G

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number F.1835

Name of company

* CITIBANK N.A.

* enter present corporate name

notifies you that:

§ Mr. John W. Hanley and Mr. H.J. Haynes have both changed their addresses - see below.

Mr. Christopher C. York has been appointed New Company Secretary.

Note

Please read notes overleaf before completing this form

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

Particulars of director or secretary

Name (notes 3 and 6) John W. Hanley	
Former name(s) (note 3)	
Address (note 4) 713 S.W. Thornhill Lane, Pipers Landing, Palm City, Florida 33490, USA	
Business occupation or particulars of one other directorship† (note 5)	Nationality†
Former Chairman of Monsanto Company	USA

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

MR. D.M. Eichenberger,
Citibank N.A.
336 Strand, London WC2R 1HB

Our Ref: L.1512

For official Use
General Section

Post room

COMPANIES REGISTRATION
15 APR 1987
M OFFICE 18

Particulars of directors

Name (note 3) Harold J. Haynes,	
Former name(s) (note 3)	
Address (note 4) No. 1, North Road, P.O. Box 1669, Ross, California, 94957, USA	
Business occupation or particulars of one other directorship (note 5) Senior Counselor of Bechtel Group Inc.	Nationality USA

Name (note 3) Mr. Christopher C. York,	
Former name(s) (note 3)	
Address (note 4) 33 Gold Street, Apt. 223, New York, NY 10038, USA	
Business occupation or particulars of one other directorship (note 6) Full Time Secretary of Citibank N.A.	Nationality USA

Signed [illegible] [Person Authorised]† Date 14/4/87 † delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

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CITICORP REPORTS 1986

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I Dennis Martin Eichenberger
being a Vice President
of Citibank N.A.
hereby certify that this document is a
true copy of the original thereof.

14/4/87

FINANCIAL HIGHLIGHTS

IN MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS

RESULTS
In 1986, earnings per share were flat compared with the prior year.

	1986	1985
Earnings Per Share (Fully Diluted)	$ 7.13	$ 7.11
Net Income	1,058	998
Return on Common Stockholders' Equity	13.8%	15.1%

SECTOR EARNINGS
Sector earnings rose 14% in 1986.

	1986	1985(1)
Earnings of Core Businesses including the Information Business (Not including items retained at the corporate level)	$1,300	$1,143

(1) Restated to reflect organizational changes.

COMMON DIVIDENDS
The annual dividend rate on common stock increased 9% from 1985.

	1986	1985
Cash Dividends Declared	$ 250	$ 290
Annual Dividend Rate Per Share, at Year End	2.46	2.26

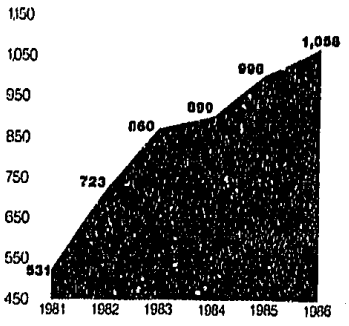
CAPITAL
Total and primary capital increased 35% and 24%, respectively, from a year ago.

	1986	1985
Total Capital	$ 21,531	$ 15,948
Percentage of Total Assets	10.88%	9.12%
Primary Capital	$ 13,490	$ 10,892
Percentage of Total Assets	6.82%	6.23%

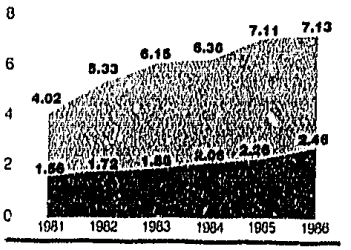
YEAR-END BALANCES
Total assets rose 13% from 1985, primarily reflecting growth in the consumer loan portfolio.

	1986	1985
Total Assets	$196,124	$173,597
Commercial Loans, Net of Unearned Discount	59,439	58,172
Consumer Loans, Net of Unearned Discount	68,243	55,518
Total Deposits	114,689	104,959
Total Stockholders' Equity	9,060	7,765
Common Stockholders' Equity Per Share	55.92	50.63

NET INCOME
IN MILLIONS OF DOLLARS



EARNINGS AND DIVIDENDS PER SHARE
EARNINGS PER SHARE
ANNUAL DIVIDEND RATE PER SHARE, AT YEAR END



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TO CITICORP INVESTORS

Nineteen-eighty-six has been a year of many cross currents. On balance, we have used the year well and have made good progress, something that augurs well for the future but which is only partially reflected in this year's results.

During 1986, Citicorp earned $7.13 per share and a return on equity of 13.8%; this represents flat year to year performance on an earnings per share basis and a drop in our return on equity. During the year, the annual dividend rate on your common stock was increased by 9% from $2.26 a share to $2.46 per share, reflecting our continued confidence in the underlying business strength of our activities. On December 31, Citicorp common stock was traded at $53.00 per share, up from $49.38 last year.

Sector earnings, which are the best description of our basic business performance, increased by 14% to $1.3 billion. This represents a return of 17.7% on your equity and reflects the underlying earnings characteristic of our portfolio of businesses. Importantly, these Sector earnings continue to be well diversified by geography, customer and product.

As has been indicated in prior reports, we continued to strengthen our liquidity, capital and reserve position during the year. This effort accounts for the differences between net income and Sector earnings growth. Our total capital now stands at $21.5 billion. Our total reserves are $1.7 billion, up 37% year over year, including an increase to $1 billion at the Corporate level, to $357 million in the Institutional Bank and $341 million in the Individual Bank. We believe that it is important to strengthen your Company's balance sheet and anticipate that we will continue to do so during 1987.

Some of the many cross currents affecting our business include a relatively hostile credit environment, continuing difficulties associated with sovereign exposure, extremely encouraging

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Vice President
Citicorp, NA
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From left to right: Paul J. Collins, James D. Farley, Richard S. Braddock, John S. Reed, Thomas C. Theobald, Lawrence M. Small, Hans H. Angermueller

and satisfactory progress in the consumer business, the need for substantial restructuring of our traditional corporate business, the major effort associated with building important trading and distribution capabilities for financial instruments in many markets and the continued reality that your Company is faced with many attractive opportunities and promising business developments even while we are restructuring and building balance sheet strength.

As is reported in the following pages, Citicorp's Individual banking business emerged in many important ways during 1986. The business continues to grow and the level of service continues to improve, as does our franchise with our millions of customers around the world. Not only is the business doing well on a current basis, but we believe that we have investments in places today which insure its continued development over the next five to seven years. There is little doubt

that the consumer business around the world will account for an increasing portion of our growth and will add important strength, and predictability, to our results in the years ahead. We also continue to make new consumer investments which we feel are quite attractive and will insure the longer term development of the business.

Our commitment to the institutional customer has been at the cultural core of Citicorp and its predecessors since 1812. Today, in the highly developed economies and in an "innovative capital market" environment our institutional customers have substantially changed their demands on us. This, in turn, necessitates a substantial reorganization of the distribution and professional capabilities through which we serve our institutional customers. There are many elements in this transition. We are restructuring our business so as to more effectively call on our customers. This has led to a substantial redeployment and reduction in staff which will continue. We are also doing a tremendous amount of training to be sure that our calling officers can maintain the high level of energy, professionalism and skill which has always characterized Citicorp employees.

Because customers demand access to capital markets we are, through our investment banking organization, building a global trading and distribution capability in approximately 50 markets around the world. We have over the years been major traders of foreign exchange, U.S. Government securities and short-term money market instruments. We are adding to this capability and now are starting to trade virtually all financial instruments. In order to be effective in the capital markets, we must also distribute securities. In essence, we are restoring an old capability; that of having a preeminent capability to distribute financial instruments to investors in all relevant markets.

The process of restructuring the business, of retraining our calling officers, and building a trading and distribution business is complicated and will undoubtedly take years. Yet, at the end of 1986, we have made good progress. Our corporate calling structure has been substantially altered and this change should be completed during 1987. New training programs are coming on stream. We have a trading and distribution presence in virtually every important money center and capital market around the world and can already see the emergence of new business capabilities. Most importantly, we have a good sense of how we will evolve and are, even today, making important progress in serving our customers worldwide.

Results of the institutional and investment banking activities are described in the following pages. While in financial terms these results reflect high credit write-offs, the impact of the business restructuring underway and the cost of building our trading and distribution business, all of which represent significant expenses, those businesses continue to account for the bulk of your Corporation's earnings and provide a good return on your equity.

As we mentioned last year, we are living in a global economy which continues to reflect change and tension. Our commercial write-offs, as in 1985, are high and we would expect this to be true for the next few years. We continue to feel confident that our portfolio is strong and that the process of managing credit is excellent. The write-offs tend to reflect harsh business realities that impact our customers as their businesses change.

During 1986, we probably lost some ground in the sovereign debt situation as certain countries suffered difficulties. However, the Baker initiative, which anticipates growth-oriented policies,

structural adjustment on the part of the borrowing nations and new bank support is very much a reality. But there has been a tendency for borrowers to look for concessional lending, as opposed to market-oriented financing, as an element of their growth plans. On balance, our impression is that the borrowing countries have done quite well in starting to restructure their economies and indeed are back on growth trajectories. On the other hand, we feel that concessional lending contains within it the seeds for longer term and fundamental problems for both the borrowers and lenders and is causing visible strain within the banking system. There has been much effort to return bank lending packages to a market-related profile, but without clear success. We believe that in conjunction with the other elements of the Baker initiative, appropriately tailored lending can play a key role in supporting structural adjustment and easing the debt burden itself. In that sense, the bank lending should be structured so as to facilitate a return to markets, so as to directly support the private sector initiatives that are central to the structural adjustment within each country and, most importantly, so as to insure continued long-term access to additional support.

In view of the changes taking place in the global economy, we continue to believe it is important to strengthen reserves and the balance sheet. We maintain credit or loan loss reserves within each Sector at levels we consider to be appropriate for managing our businesses, but we are incrementing these at the corporate level. The corporate reserve is primarily necessitated by the changes taking place in the global business system and the sovereign risk portfolio. Risk assessment in the consumer business benefits from the small transaction size and high predictability of loss by product and by market. As was mentioned earlier, the corporate reserve stands at $1 billion today. We expect to continue to build this reserve over the immediate future.

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During 1986, the Company lost the services of two long-term and able Directors: Jack Harbin and Amory Houghton, Jr., and added one new Director, Frank Shrontz. Mr. Harbin retired after serving on the Board for ten years. Jack, who was Chairman of Halliburton Co., brought his great energy and sharp mind to bear on Citicorp's business to the great benefit of us all. Mr. Houghton, after following his father onto our Board in 1968, resigned at the end of the year after having been elected to represent his Upstate New York District in the United States House of Representatives. We are all proud of Amo and wish him well. Both Jack and Amo have served your Company with distinction and dedication and we will miss them. We were fortunate to gain the services of Frank Shrontz, President and CEO of the Boeing Company, who joined the Board in April. Frank has already become one of us and we are delighted to welcome him to Citicorp.

The strength of your Company relates ultimately to two factors: customers and employees. The balance sheet of a financial institution simply reflects the financial health of our customers. Over the years, we have developed a strong and impressive group of customers and we continue to believe that doing business with these customers is the source of our own business success. At the same time we know, and our customers tell us, that they are impressed with the professionalism, confidence, energy level and integrity of our staff. We continue to believe that the 88,500 Citicorpers who work for you around the world are uniquely talented, enthusiastic and capable. They do and will ensure that your Company will continue as one of the world's great financial enterprises.

JOHN S. REED

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SERVING OUR CUSTOMERS

In the next two sections we report on how we are serving our customers. We serve both individuals and institutions in marketplaces throughout the United States and in 91 countries around the world. As these financial marketplaces are evolving at an increasing pace, we see the needs of our customers changing rapidly. Citicorp is committed to meeting these changing needs by continuing to offer innovative products and excellent service. To supplement the products that are provided to customers from our present core business entities (which are described in the next two sections), we took an important step towards our goal of developing a range of significant information-based products. In June, we acquired Quotron, one of the world's largest suppliers of on-line, real-time financial information services. We are confident that Quotron and our other information-based businesses will play an increasingly important role in meeting the future needs of our customers.

SERVING INDIVIDUAL CUSTOMERS

The Individual Bank is entering its second decade with continued dedication to meeting the broadest range of consumers' financial needs around the world. Significantly, the Individual Bank is larger today than Citicorp was at the time of the original commitment to developing this business. In 1986, reported Sector earnings were more than the net income of all but two United States-based banks in their entirety. We now do business in 41 countries around the world.

While our efforts are sometimes limited by regulatory restraints in the United States and the 40 other countries in which we operate, we have made great strides. In the years ahead we will continue to push for powers that will allow us to meet consumers' total financial service needs, whether in banking, investment, or insurance services.

Our results at the end of 1986 contrasted sharply with those earlier in our development. Our first years resulted in net losses as we strove to establish ourselves; in 1986 we earned $462 million. From 1985 to 1986 alone our earnings increased by 41%. In 1976, our first full year, our assets were $4.4 billion and our customer net revenue was $583 million; in 1986 we had $71 billion in average assets and generated $5.6 billion in customer net revenue.

Our performance is solid as we enter our second decade, but we are still young with great potential ahead of us. We believe we are well-positioned for steady growth into the 1990s and beyond. We have averaged earnings increases of almost $100 million each year since we became profitable in 1982. And our revenue momentum, the backbone of our earnings strength, remains substantial with 1986 customer net revenue up 35%, or $1.5 billion over 1985 levels. Over the last five years, our revenue has grown at a compounded rate of 30%.

Some in the consumer financial services business believe the market is saturated; that each player has carved out a niche that only can grow in limited amounts. We believe the opposite and despite our substantial progress to date still have relatively small shares from which to grow further.

Covering the breadth of the market in both services and customers allows our growth to be limited only by our imagination—and regulators, who ever so slowly are yielding to the reality of a global consumer financial marketplace. Consumers will settle for nothing less. In the U.S. alone in 1986 we opened our doors for full-service banking in five new markets—Maryland, Arizona, the District of Columbia, Nevada, and Utah. Over the next four years, the barriers limiting our banking business will drop in 11 more states.

All of this augurs well for building new relationships and deepening existing ones. Already we serve 17.5 million households in the United States and another 6.7 million overseas. In the U.S. we continue to be the largest issuer of bank credit cards, the largest private lender for student loans ($1.7 billion), and the largest originator ($13 billion) and servicer ($36 billion) of mortgages.

Size counts, but not as much as quality. We take pride in being the largest in these categories and others. However, our goal is to be viewed by our customers as first in providing quality of service and value, for these will be the ultimate reasons consumers choose Citicorp/Citibank services. The market, in fact, belongs to our customers, and we must earn their respect and business each day.

In order to ensure that our customers receive quality service everywhere, we have been developing a more synergistic approach across all our efforts. In addition to creating a common identity recognizable to our customers, a synergistic approach gives us economic efficiencies, particularly in research and marketing, and dramatically enhances our ability to quickly offer appealing innovative services to our customers in widespread geographic markets.

Domestically, where our businesses have developed more rapidly, our branch-based businesses have made significant headway in capitalizing on services developed first for our most mature market in New York and adapting them to newer markets such as Arizona and Illinois. These include our unique 24-hour electronic banking centers and products such as Citi-One, a packaged account of checking, savings, investment and credit services; the Landmark Family of Mutual Funds; and the Equity Source Account, a revolving home equity loan. As our overseas branch distribution develops further, the most appropriate of these same services will be adaptable to local markets. Similarly, we are taking services developed for local overseas markets—such as Citifunds, a multiproduct money management account first offered in Hong Kong—and, where appropriate and permissible under current regulations, adapting them to both international and U.S. markets.

This activity complements and supports our basic domestic strategy, which is developing along two related paths: the expansion of individual products which can be offered nationally with or without a banking presence, such as mortgages and credit cards, and the selective establishment of branches in key markets to act

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Ira S. Finkelman,
Richard S. Braddock,
William J. Heron, Jr.,
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as the delivery mechanism for a full array of financial services, including being the local interface for products developed as national offerings.

With the five new full banking markets opened in 1986, we have a broad physical banking presence in nine states and the District of Columbia. We completed our announced acquisition of Great Western Bank & Trust in Arizona, giving us a 36 branch presence in the second fastest growing state in the country. In addition, we opened Citibank Maryland and acquired National Permanent, a 14-branch thrift in the District of Columbia--the two combined provide a unique presence in the much sought-after Washington Baltimore corridor. While federal legislators have not acted to recognize the reality of a national marketplace, state authorities continue at an accelerated pace to see the benefits. With an eye towards enhancing our position in existing markets and expanding into new ones, we continue to evaluate opportunities on a state by state basis.

Our most mature branch system, New York, continued to gain market share and posted record profits which had material impact on our overall performance. Steady progress in managing our original three savings and loans in California, Florida, and Illinois was reflected in significant improvements in both earnings and market position.

Providing mortgages to consumers across the U.S. has been an integral part of our strategy throughout the Individual Bank's existence. Today we are a major factor in the nationwide mortgage business, originating some $13 billion in the past year, through our banking and mortgage financing branches. This year we put into place a more focused organization to position this business for major growth in both originations and servicing, as well as the capability to access the secondary markets.

The deliberate branch expansion and the national mortgage business, combined with our continued strength in the card market, give us a formidable overall domestic presence, resulting in relationships with one out of five households nationally, which increases to one out of three in the ten largest metropolitan markets. This penetration continues to grow at a healthy rate of about 15% per year.

Our card business, which has paced our growth for several years, continued to be a major contributor in 1986. Although the growth slowed somewhat, we made strong market share gains, saw increases in purchase sales and receivables, and made adjustments that will significantly, over time, improve the quality of the total portfolio. Strategically, we repositioned our preferred bank credit cards to more clearly target those customers with higher spending levels. Diners Club continued to improve its position against the business travelers. At the same time, Diners reevaluated the long-term benefit of Signature Magazine in light of the regulatory limitations we faced in its future development and sold it to an established publishing concern which is not encumbered by such regulations.

We rounded out the infrastructure to support our card business with a third processing center in Hagerstown, Maryland. The others are in Sioux Falls, South Dakota and The Lakes, Nevada. This completed a planned consolidation of all card operations into three geographic locations, resulting in important modernization and streamlining of operations and service for all cards and provided significant local employment for each location—a total of nearly 3,100 jobs to date.

ATM access for our customers grew through the installation of proprietary terminals in key new markets such as Illinois and California and additional agreements to share with certain ATM networks. Today we believe we have the largest such access for customers of any financial institution in the country. We operate our own systems in eight states with nearly 1,000 machines and participate in 11 shared networks with a total of 19,000 ATMs. Overseas access to our services through ATMs also is growing with 186 proprietary machines in 12 countries and another 3,300 ATMs through seven major shared systems.

Internationally, we slowed our acquisition pace of the last several years to emphasize the rapid assimilation of those businesses. However, we did undertake a few important strategic initiatives, including acquisitions of additional branches in Argentina to complement our existing network and British National Life Assurance, which broadened our insurance activity in the United Kingdom and can be used to help our expansion of insurance services in other foreign countries, and establishment of a bank based on new regulatory powers in Australia. Despite these investments and wide-ranging new product initiatives, returns in the overall international businesses remained in excess of the corporate standards.

While not as substantial as our domestic presence, we continue to emphasize development of a strong competitive presence in each of our 40 countries. We are well-positioned in Europe/Middle East and South America with businesses in most major countries however, our presence is not yet as broadly based as we think is needed in Asia/Pacific, primarily because of specific countries' regulatory biases against foreign-owned banks, although we are quite profitable there, too. We are targeting regulatory efforts in countries we deem critical to our success at the same time we pursue business avenues open to us.

Our overseas potential is particularly tied to building market share in key localities. In most we have a relatively small share—much as we had in New York ten years ago—but we are quite well-positioned in such diverse markets as Puerto Rico, Brazil, Argentina, Spain, Italy, Germany, Belgium, and Hong Kong.

The first full year of the strategic integration of Citicorp's worldwide high net worth banking activities into the Individual Bank saw notable progress as we established a common identity throughout our markets. We also began to reduce operational overlaps, which will result in significant efficiency improvements while we still maintained a high level of customer service. Our units in New York, Zurich, and Miami, which control the bulk of our assets under management, strengthened their coordination to bring the full force of our expertise to bear on customers' investment needs. Overall, we showed encouraging momentum in growing the existing business and expanding our product lines, in such areas as asset management and the packaging of multiple services, to provide a fuller range of services to our various customer groups.

Although the year's overall performance was robust, we had some disappointing credit pressures in a spotty, even sluggish, economy. Our loan losses continued to rise, both as a result of overall loan growth and a shift to more credit card receivables, which have an historically higher credit loss experience especially during accounts' early years. As accounts mature in the portfolio, credit losses fall appreciably. We view this as a necessary cost of building and maintaining a healthy card business over the long term and consider these losses well under control, although losses from bankruptcies continue to be a concern. The uneven economy particularly affected specialized areas of our mobile home business whose activity is concentrated in sections of the country experiencing a difficult recovery. Our international performance on this dimension was more steady.

For almost all of our businesses, as well as the Individual Bank as a whole, our revenue growth has outpaced delivery expenses,

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which increased 26% to $3.4 billion. This increase supported the expansion of our basic businesses, as well as investments in new marketing or infrastructure activities aimed at improving our competitive position from both geographic and product perspectives, not only today but, primarily through longer-term initiatives housed in our Development Division, well into the future. Despite these investments and because of our earnings momentum, we were able to increase our ROE to 16.2%, in the process exceeding our 20% target in such diverse businesses as our international consumer activity, private banking, cards, mortgage banking, and the New York branch system.

Putting all these developments in perspective, we are extremely optimistic about the current position of the Individual Bank. Although our growth has been meteoric since we became profitable four years ago, we believe our major potential continues to lie ahead. Today's efforts in permissible businesses are laying a foundation for tomorrow's initiatives in insurance, investment, information, and still-uncharted areas that will develop out of consumers' demands for more sophisticated and all-encompassing financial services. Our contribution to the Corporation is significant today. We have a proven track record of substantial profits in the New York branch system and bankcards. Each year that goal becomes more attainable for other initiatives, including the domestic national mortgage business, current permissible insurance activities, the S&Ls, our global activities for high net worth individuals, and our activities overseas. Over the next five years we believe each of these will have earnings comparable to those of the New York branches and bankcards today, significantly increasing our overall contribution.

To ensure we reach that level, and beyond, we have the dedication, talent, and vitality of some 65,000 people around the world. A decade ago the Corporation and its shareholders gave us a a mandate to build a world-class consumer business. We have met the original goal but we have new horizons to attain. We have the strategic direction, the momentum, the resources, the people and, above all, the commitment to build the preeminent consumer financial services organization in the world.

EARNINGS

IN MILLIONS OF DOLLARS	1986	1985[1]	VAR.	%
Customer Net Revenue	**$5,638**	$4,180	$1,458	35
Expenses:				
Credit Cycle Expense	**1,476**	1,000	476	48
Delivery Expense	**3,392**	2,692	700	26
Total Expenses	**$4,868**	$3,692	$1,176	32
Other Income (Expense)	**72**	98	(26)	(27)
Income Before Taxes	**842**	586	256	44
NET INCOME	**$ 462**	$ 327	$ 135	41
Average Assets ($ Billions)	**71**	56	15	27
Return on Assets (%)	**.65**	.59	.06	—
Return on Equity (%)	**16.2**	14.7	1.5	—

(1) Restated to reflect reorganizational changes

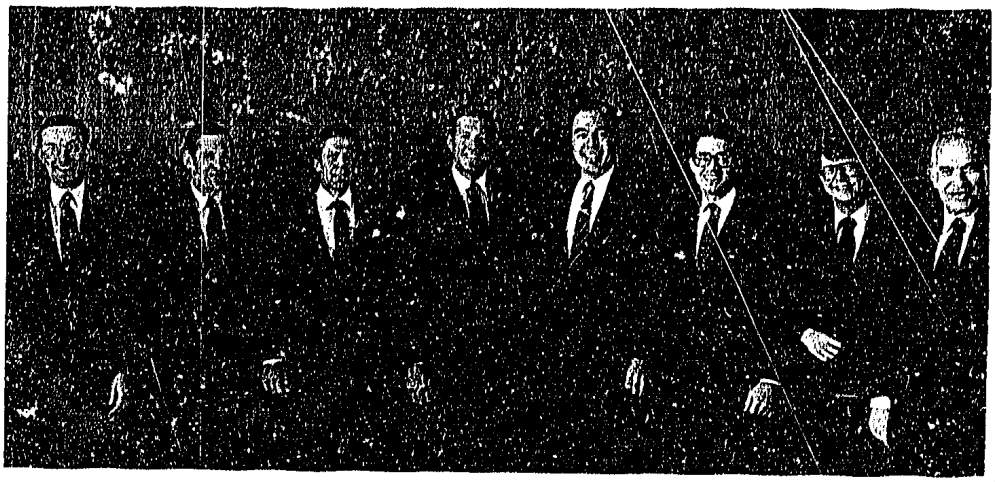
AVERAGE BALANCE SHEET

IN BILLIONS OF DOLLARS	DECEMBER 1986[2]
Assets	
Revolving Loans	$15.0
Shelter Loans	33.6
Student Loans	1.7
Other Loans[3]	18.5
Other Assets	11.5
	$80.3
Liabilities	
Transaction Account Deposits[4]	$10.2
Savings Deposits	52.2
Other (Includes Allocated Equity)	17.9
	$80.3

(2) Average balances for the month of December
(3) Principally includes lending to high net worth individuals, auto loans and other installment loans
(4) Includes demand deposits, and travelers check and money order outstandings

The sector performance summary presents Individual Banking results in a format using terms closely related to the Individual Banking business. Customer net revenue embraces all net revenue primarily generated through customer relationships. Credit cycle expense includes credit write-offs, the portion of the provision for possible credit losses allocated to the sector in excess of write-offs, fraud losses, and the expense associated with credit appraisal and the process of collecting past-due or written-off accounts. Delivery expense includes all non-credit related costs of delivering our products and services to the consumer. Other income (expense) primarily includes interest costs of carrying non-customer assets, gains on sales of non-customer assets, affiliate earnings, and earnings on allocated equity.

SERVING INSTITUTIONAL CUSTOMERS



If there is one characteristic common to today's diverse and complex financial marketplace, that characteristic is change. Change is a force that Citicorp uses to differentiate itself in the marketplace by developing innovative financial solutions rather than simply adapting old methods to new problems. We were among the first to respond to the needs of the customer and go beyond traditional banking activities of deposit-taking and making loans. But never has change been so deep and extensive as in the past five years, nor has it accelerated more rapidly than in 1986. Today, customers demand a broad array of services to meet their fast-changing needs. They want asset intermediation and trade products, financial guarantees, asset based finance, real estate financing, financing for restructuring, and electronically delivered cash management and transaction-processing capabilities. They want innovative investment banking services that meet their borrowing, investing, and hedging needs in increasingly global financial markets. There is no reason to expect the pace of change to abate. Technology and the global flow of information will continue to make markets more accessible and create new opportunity, and economic volatility will continue to create the need for new products.

Citicorp is in a strong strategic position to satisfy these new customer demands. Working closely together, the Institutional Bank with its long-standing relationships with corporations, financial institutions and governments, and the Investment Bank, a major participant in the world's capital markets, are meeting the challenge of providing excellent products to an extremely broad customer base throughout the world. Citicorp's institutional customers range from established multi-nationals to new businesses; from clients with large financing requirements to investors looking for portfolio opportunities; from family-held private companies to

From left to right:
William R. Rhodes,
George E. Hagerman, Jr.,
Guenther E. Greiner,
Lawrence M. Small,
Michael A. Callen,
Robert D. Bailey,
Edwin P. Hoffman,
Anthony G. Mantzavinos

From left to right:
Peter H. Schuring,
Alan S. MacDonald,
Richard L. Huber,
Thomas C. Theobald,
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major government enterprises. They are to be found in almost every manufacturing and service industry, and they are supported by our offices in 92 countries.

In 1986, our earnings from providing products to our institutional customers, and from the capital markets activities that support them, were $872 million, an increase of $48 million, or 6%, over the previous year's. These earnings represented just over two-thirds of Citicorp's total sector earnings. Earnings from traditional corporate banking products were up over last year after absorbing the continued high level of write-offs. Investment banking products delivered to institutional customers sustained strong earnings growth, while the earnings from capital markets and other investment banking activities declined, reflecting lower trading results and rapid expense growth.

An acceleration in our institutional customers' demands for creative economic solutions made 1986 a year of significant change for the Citicorp businesses that serve them. Within institutional banking, we redirected resources to meet a rapidly expanding demand for innovative products and a shrinking demand for the more conventional products, while in investment banking, we continued to expand our global capital markets presence. We streamlined some traditional lines of business that are less in demand today, particularly in the more developed marketplaces. Additionally, a number of unprofitable products were discontinued. The Institutional Bank's staff level was reduced 15%, a decrease of more than 3,400 people, and expenses were limited to a 2% increase over 1985. To meet growing demand for the newer capital markets-oriented products, we increased our staff and expanded our facilities in the Investment Bank.

More and more of Citicorp's products are custom-tailored solutions to the often complex problems encountered by our customers in today's marketplace. Generally, they meet three basic customer requirements: to raise money, to invest it, and to protect it against risk. Many of our products -- such as foreign exchange and

interest rate options, floor and ceiling rate agreements, and other hedging tools—are innovations of the 1980s. In fact, we have been a leader in innovation; it was Citicorp who developed the interest rate swap and Eurocommercial paper. We also stepped up our activity in the corporate restructuring areas, and in 1986 we participated in over 15 of the larger financings covering more than $20 billion. Such innovation has successfully met both customer needs and Citicorp's business expansion objectives.

Citicorp continues to offer strong asset intermediation, financial guarantee, and trade products; a thriving set of cash management and transaction-processing activities; and a growing group of specialized finance products. We have redirected personnel resources and spending to further our capability of correctly valuing customer assets and to structure and control financing against those assets. These capabilities are the heart of our very successful asset-based lending and real estate financing businesses and key to attracting more and more of the large corporate restructuring deals that are dominating the financial services market. Our more conventional lending activities, which were certainly less in demand, remained quite profitable in 1986, even after absorbing $398 million in credit losses.

We provide a full range of investment banking products, including debt and equity products, foreign exchange, advisory activities such as merger and acquisition services, and pension fund management. In the area of risk protection products, Citicorp's position is unparalleled—we have developed many of today's rate and risk management tools.

A key element in successfully providing products to customers is the global network of experienced Institutional Relationship customer specialists who work closely with Investment Bank product specialists and have participated jointly in an extensive product-training program to keep themselves at the cutting edge of financial technology.

The demands of Citicorp's customers are as diverse as the geographic regions they cover, but even so trends can be perceived. To benefit from the current trend in the United States we will continue developing our capacity to originate and structure asset-based financings as well as expanding the broad range of investment banking products we offer. In 1986, Citicorp emerged as a clear leader in providing transaction-based services designed to satisfy the cash management and securities-processing needs of financial institutions and corporate customers, and this solid growth will continue in 1987. We also expect to remain a leader in the U.S. Treasury and municipal security markets. Our insurance subsidiary, AMBAC, is a leader in the financial guarantees arena. AMBAC made a strong contribution to earnings in 1986, and we expect that to continue.

In Japan, many European countries, Australia, and other Organization for Economic Cooperation and Development (OECD) nations, we see trends developing similar to those in the United States. In most of these countries, we lead the market in foreign exchange and interest rate risk management products, and enjoy strong relationships with many large multi-national companies whom we frequently assist in financing transactions best described as large, global, and complex. We also have rapidly growing transaction-processing and securities-processing businesses, particularly in the U.K. and Japan. As in the United States, our customers are developing a need for asset-driven financing services. It is not surprising our response has been to extend our market-proven, asset-based lending

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and real estate financing expertise to those countries in the form of people and products.

Given the size of these countries' economies, the sophistication of their capital markets, and the fast pace at which they are deregulating—characterized by the well-publicized changes in places like the U.K., Canada, and Japan—we are able to provide our customers in these countries with the broadest range of investment banking products. This contrasts with the United States marketplace where the Glass-Steagall Act prevents us from competing fully by barring us from underwriting corporate debt and equity, commercial paper, private mortgage-backed securities, and most municipal revenue bonds. While in 1985 this excluded us from underwriting in only about 4% of the U.S. securities market, we still believe that today's financial marketplace and customer needs demand a dismantling of the half century-old Glass-Steagall Act.

The developing countries involved in the debt-restructuring process present problems unlike those in the United States or the other major financial markets. We continue to expand our local currency business and have developed several new investment banking products such as debt/equity swaps to assist our customers in these countries, while simultaneously helping the countries lower their total debts. Our immediate focus is to work with these countries to help bring them back to the markets. As mentioned in the chairman's letter, we have been supporting the Baker Initiative with new funding as required, and with a focus on motivating structural changes likely to facilitate a return to markets and greater support of private-sector initiatives. There are no easy, short-term solutions for borrowers or lenders, but the Baker Initiative currently offers the most promise for longer term, lasting improvement in the economies of these countries.

With respect to the remaining countries where Citicorp has an active presence, we will continue along our path, which has proven to be successful, offering a full range of local currency products and services that are uniquely structured to meet the diverse requirements of our customers. Generally, these transactions will be smaller in size and less complex in nature than in the OECD countries or the major debtor nations involved in rescheduling.

But however different the marketplaces and our approaches to them, one element remains constant throughout the globe, and that is the quality of the people serving our customers. Indeed, the decisive element in this whole equation is, as it has always been, people. In the rapidly evolving financial marketplaces where customer requirements are changing at an unprecedented speed, we need to attract, train, motivate, and retain the very best talent not just to keep pace but to excel. This is an increasingly complex and sophisticated requirement of our business, and we view it as our number-one priority.

The delivery of our vast array of products to customers in many markets around the world requires strong distribution—a broad investor base. Building this base remains the key element in Citicorp's investment banking strategy. It provides the placing power essential for effective origination as well as depth and liquidity essential to trading activity. In 1986, we distributed more than $4.3 trillion in securities to investors throughout the world. We will continue to emphasize distribution, seeking to improve our investor marketing efforts—targeting our customers, identifying their needs, and winning their business.

In the future, we expect an increasing share of earnings will come from equity products. We already have well established and highly successful venture capital and corporate recapitalization businesses. With corporations undergoing significant restructuring, particularly in the United States and increasingly in Europe, profitable investment opportunities created by corporate mergers and divestitures will continue to grow.

The global equities market presents one of the newest and most significant opportunities for Citicorp. The aggregate capitalization

of equities on the world's stock exchanges is roughly $4 trillion. About half of that falls outside the U.S., with one quarter in European markets and one quarter in Asian markets.

Over the last two years we have assembled the structure and marshalled the resources for a major strategic thrust in the global equities markets. We have invested some $100 million in the acquisition of various brokerage companies around the world. We have established other securities firms *de novo*, including Newbridge Securities, a member of the New York Stock Exchange.

As a member of 19 stock exchanges in the world's principal capital markets, Citicorp is now positioned as a strong participant in both domestic equity markets and the increasingly important international markets. This past year we reorganized the equities business, creating a single, global unit to take full advantage of cross-border opportunities. This new organization will, among other things, focus on large institutional investors seeking to diversify internationally. We also developed a global securities clearing business linking such leading financial centers as New York, London, and Tokyo.

Earnings from our investment management business also continued to grow in 1986, largely as a result of strong performance of specialized product areas and expansion internationally. Citicorp Investment Management now has offices in London, Hong Kong, Tokyo, and Sydney, as well as New York, San Francisco, Houston, and Chicago.

Trading of both foreign exchange and securities is a most important element in our revenues and earnings, and the trading expertise provided the base for expansion into new products and new markets. Trading, however, and particularly securities trading, can be volatile, resulting in sizeable swings in revenue. The downside of this volatility is reflected in the 1986 securities trading revenues in Europe and North America.

Citicorp continues to be the world's largest foreign exchange dealer, with an estimated market share in excess of 5%. Like many other areas of investment banking, the foreign exchange market is now being transformed by innovation, with customers making use of foreign exchange options and complex currency swaps. Citicorp has been a leader in these products and will remain in the forefront.

Looking back on 1986, we have seen our customers' needs changing more rapidly than ever, and we have responded accordingly. We have made and shall continue to make appropriate investments in the businesses that serve our institutional customers. This investment has given us a range of products and geographic breadth that is unsurpassed. While we are most mindful of the volatility of the world's economy, we believe we have a structure that will lead to substantial returns in the years ahead. With that structure firmly in place, we are confident that the outstanding people of the Citicorp Institutional and Investment Banks will serve customers and shareholders alike with ever-increasing success.

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EARNINGS

IN MILLIONS OF DOLLARS	1986	1985[1]	VAR	%
Total Revenue	**$4,500**	$4,094	$406	10
Provision for Possible Credit Losses	**423**	388	35	9
Operating Expenses	**2,664**	2,283	381	17
Income Before Taxes	**1,413**	1,423	(10)	(1)
NET INCOME	**$ 872**	$ 824	$ 48	6
Average Assets ($ Billions)	**111**	105	6	6
Return on Assets (%)	**.78**	.79	(.01)	—
Return on Equity (%)	**19.5**	19.7	(.2)	—

(1) Restated to reflect organizational changes

AVERAGE BALANCE SHEET

IN BILLIONS OF DOLLARS	DECEMBER 1986[2]		
Assets		**Liabilities**	
Loans & Leases	$ 60.4	Interest-Bearing Deposits	$ 28.3
Deposits at Interest with Banks	13.7	Non-Interest-Bearing Deposits	23.0
Investment Securities	8.6	Other Borrowed Money	29.0
Trading Assets	6.8	Acceptances	5.4
Acceptances	5.3	Other[3]	25.0
Other	15.9		
	$110.7		$110.7

(2) Average balances for month of December (3) Includes allocated equity

PRODUCTS DELIVERED TO INSTITUTIONAL CUSTOMERS

Core Lending. Net income in this product family reflects our more traditional lending activities, for example, working capital loans, long-term financing and syndicated lending to corporations, governments, and financial institutions.

Foreign Exchange and Hedging. Citicorp is the world's largest foreign exchange dealer. We obtain currency for our customers whose business, investment or fund raising activities reach beyond national boundaries. We also help customers hedge their currency and interest rate exposure through a variety of risk management products such as interest rate and foreign exchange swaps, futures, forwards and options. Citicorp may also take positions within pre-approved guidelines in anticipation of changes in currency markets.

Debt Products/Money Market Services. Citicorp is one of the top three dealers in U.S. Government securities, which represents the largest and most liquid debt market in the world. We also underwrite, trade, and distribute securities for municipal governments in the U.S. and for many sovereign governments. Citicorp assists corporations and financial institutions in raising short-term funds through note issuance facilities, commercial paper, and interbank money market instruments. We also arrange long-term financing through private placements, mortgage-backed securities, and bonds issued outside the U.S. Citicorp also may take positions within pre-approved limits that result in a mismatch of interest rate maturities.

Specialized Finance. Specialized Finance is the generic term for our non-traditional lending, for example, Asset-Based Lending, Corporate Asset Funding, and Equipment Finance. Activities include the wholesale purchase of all or part of a company's portfolio of financial assets; equipment-related secured lending, and lease options to end users; leveraged leasing, tax leasing, and vendor finance to assist the manufacturers or sellers of capital equipment.

Liquidity Insurance, Financial Guarantees, and Asset Intermediation. Included in this category are fees generated on loan commitments outstanding; earnings from guaranteeing performance by another party; and income from asset intermediation activities such as asset sales, brokering, and direct placements.

Equity Products. For new and emerging businesses, Citicorp has established venture capital companies in the U.S., Canada, the U.K., France, Germany, and Australia. We have stock brokerage businesses in Japan, Hong Kong, Singapore, the U.K., and Australia. Our brokerage subsidiary, Newbridge Securities, is a member firm of the New York Stock Exchange. Lynch, Jones & Ryan is a domestic brokerage firm, specializing in institutional research products.

Advisory, Trade, Transaction Processing, and Other. Citicorp is a leading manager in the U.S. of pension funds for corporations, state and local governments, and non-profit organizations. We have merger and acquisition specialists in 15 countries to assist companies in finding buyers or sellers, and in structuring these complex transactions. Trade includes direct financing of trade-related transactions; countertrade and transaction processing such as documentary collections. Also included in this category are Cash Management and earnings on allocated equity.

NET INCOME BY PRODUCT

IN MILLIONS OF DOLLARS	1986
Core Lending	**$184**
Foreign Exchange and Hedging	**172**
Debt Products/Money Market Services	**164**
Specialized Finance	**150**
Liquidity Insurance, Financial Guarantees & Asset Intermediation	**113**
Equity Products	**46**
Advisory, Trade, Transaction Processing & Other	**43**
TOTAL	**$872**

INTERNATIONAL FINANCING

The year 1986 brought important changes in the international debt situation. There were some setbacks, but there also was progress, particularly toward implementing the Baker Initiative.

This growth-oriented approach, outlined by U.S. Treasury Secretary James A. Baker III in October 1985, offers a path out of the problem for countries willing to adopt free-market solutions. His initiative is based on the success of such economies as South Korea, Taiwan, and Hong Kong, which have continued their economic growth and avoided the debt problem.

Generally, countries caught in the debt problem have built highly inefficient, government-dominated economies based on import substitution. These countries' highly efficient production of various agricultural, energy, and mineral commodities offset these inefficiencies. However, the rapid drop in world inflation rates beginning in 1980 (called disinflation) caused commodity prices to fall sharply. As a result, the efficient sectors could no longer support the costs of the inefficient sectors.

That is the background that led to the international debt problem, which began in August 1982.

During the first phase of the problem, the immediate task for commercial banks was to address the countries' short-term balance-of-payments problems and provide new money where needed. The countries themselves began to address some of the excesses of the previous era. Many reduced government expenditures and corrected over-valued exchange rates. These measures had some success, and in 1984 the trade balance in Latin America improved by $32 billion over 1982's balance.

For countries that made progress in these short-term adjustments, the focus shifted toward multi-year restructuring agreements (MYRAs), which cover at least three years of maturities of the countries' commercial bank debt. In this second phase, these agreements postpone principal repayments to later years, when they can be more easily managed by larger, growing national economies. Four more countries signed MYRAs in 1986, increasing the total to seven.

However, satisfactory growth had not returned by 1985. Secretary Baker and others, including many developing-country governments, recognized that short-term adjustment was insufficient and that the centralized and inefficient economic systems of the debtor countries needed more fundamental adjustments to respond to the new, disinflationary era.

The third phase, one of structural adjustment, addresses the need for countries to resume growth through economic reforms that encourage investment and internal savings, reduce government intervention, and emphasize greater competition in the private sector. This approach is similar to those being taken by certain industrialized countries.

Last autumn Mexico became the first of the troubled debtor countries to negotiate a Baker Initiative package. Under the agreement, governments, international financial agencies, and commercial banks will make funds available to support the country's structural adjustment. The World Bank will play a far more important role here than in any package to date.

For its part, the Government of Mexico has committed to pursue structural-adjustment policies that to date have included the closing or privatization of some inefficient state-owned companies. It has also been increasing government revenues and has joined the General Agreement on Tariffs and Trade. All commercial bank drawdowns under the current package are conditioned upon specific actions to be taken by Mexico and confirmed by the International Monetary Fund (IMF) and World Bank.

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Mexico also has been maintaining a realistic exchange rate and positive real domestic interest rates, which have reversed capital flight and in 1986 gave it private capital inflows of more than $1.5 billion.

Later in 1986, the second and third Baker Initiative packages were negotiated with Nigeria and Morocco. Each of the three packages is geared to the individual characteristics of the country's economy.

Last October, Uruguay became the first restructuring country to sign a voluntary loan with commercial banks, a $45 million co-financing with the World Bank. Ecuador followed with a $220 million oil-export facility.

In 1986, there was further progress on debt-equity exchanges, which allow a country to reduce its external debt by converting portions into equity. Chile approved in excess of $1 billion in conversions, and Mexico approved $800 million.

As in the past, there were setbacks as well as advances. Although Brazil's progress earlier in the year allowed it to sign a two-year $31 billion commercial bank refinancing package in July, a booming economy later contributed to a resurgence of inflation. In response, the Government allowed imports to rise and exports to drop, causing a shrinking of the record and near-record trade surpluses that Brazil has enjoyed in recent years. On the other hand, Argentina, the third largest Latin American debtor country after Mexico and Brazil, has reduced inflation from an annualized rate of 1,000% in June 1985 to 80% in 1986. It has cut its public-sector deficit to 3.9% of gross domestic product from 6.3% in 1985, and resumed growth, at 5.5% in 1986; and has achieved a net capital inflow.

Today all the major debtor countries are current on public-sector interest payments to commercial banks. Overall, growth is returning: The United Nations estimates that growth in Latin America reached 3.4% in 1986, while inflation dropped from 275% to 70%.

We have described some of the countries' first steps toward structural adjustment. Yet we recognize that this process takes time and, initially, hurts those who have an interest in the existing structure. Non-economic pressures occasionally support inefficient industries and government programs that do not make sense for the longer-term health of a country.

There always is resistance to change. Therefore it is not surprising that these first steps toward structural adjustment caused a reaction. Some are calling for non-market "easy" solutions in order to avoid the short-term difficulties of adjustment.

These proposals, some of which would force significant losses on commercial banks, are in our view impractical and counter-productive. If implemented, banks would not be forthcoming with the fresh capital these developing countries need as they resume growth. Indeed, such approaches would reduce the incentives for countries to make the necessary structural economic reforms to grow their way out of the problem.

As we move ahead, the usual imponderables remain, including the threat of protectionism, the need for continued growth in the developed world, and the direction of interest rates, oil prices, commodity prices, and exchange rates.

The key question is whether the developing countries have the political will to continue to take the steps needed for stable growth. The evidence to date is, by and large, that they do. We believe that other countries will join Mexico, Nigeria, and Morocco in their initial steps with Baker Initiative agreements. Continued progress, however, will require the same hard work and international cooperation achieved among all parties in recent years.

INTERNATIONAL FINANCING ACTIVITIES

Like all of Citicorp's activities, international financing involves the management of risk. Whenever Citicorp lends, places, or invests funds across a national border or in a currency that is "foreign" to the borrower, it incurs a transfer and/or convertibility risk, commonly referred to as "country" risk. This risk arises because a country may impose exchange controls that may prevent Citicorp's customer, at least temporarily, from obtaining and/or transferring the foreign exchange needed to service its obligation to Citicorp in full and/or on time, even though the customer remains at all times creditworthy in terms of local currency. If this situation persists for 90 days, Citicorp must place the affected assets on a cash basis, and this has an adverse impact on earnings. Interest previously accrued must be deducted from current earnings, and current earnings are further reduced by the cost of carrying the cash basis loans, not of interest actually received in cash.

Citicorp manages country risk by evaluating the economic climate and prospects for individual countries and by imposing limits on total cross-border and foreign currency amounts that may be lent within each country. At the end of 1986 approximately $48.0 billion of Citicorp's assets were cross-border and foreign currency outstandings and therefore exposed to country risk. This figure represents a slight decline from the level prevailing at the end of 1985. However, relative to total assets and capital, Citicorp's total cross-border exposure has fallen sharply.

Total cross-border exposure at year-end 1986 was divided among industrial countries ($25.4 billion), non-oil developing countries ($18.2 billion), oil exporting developing countries ($2.4 billion), and offshore banking centers ($1.8 billion). In no single country did cross-border and foreign currency outstandings account for more than 3% of Citicorp's total assets. Citicorp's largest exposure ($5.7 billion, or 2.9% of total assets) was to Japan, which is, after the United States, the largest economy in the world. Citicorp's exposure to other countries was lower. There are five other countries in which outstandings were between 1% and 3% of total assets and one country where outstandings were between 0.75% and 1% of total assets.

Since 1982 a number of countries have found it necessary to refinance their external debt. Citicorp has cross-border and foreign currency outstandings to 31 such refinancing countries, amounting to $14.9 billion at the end of 1986. This level is slightly lower than at year-end 1985 and significantly lower relative to Citicorp's total assets and capital. Cash basis loans in the refinancing countries declined to $.9 billion from $1.1 billion at year-end 1985. As explained on page 26, the estimated impact on earnings from cash basis loans in the refinancing countries was a benefit of $24 million in 1986 compared with $30 million in 1985.

A summary of developments in the major refinancing countries follows. While no absolute assurance can be given, Citicorp management believes that these developments will not ultimately have a materially adverse effect on Citicorp's financial condition.

CROSS-BORDER AND FOREIGN CURRENCY OUTSTANDINGS Adjusted For Net Local Currency Outstandings, External Guarantees and Collateral[1]

IN BILLIONS OF DOLLARS, AT YEAR-END	1986	1985	1984
Industrial Countries	**$25.4**	$24.3	$25.4
Centrally Planned Economies of Eastern Europe	**.2**	.2	.2
Oil Exporting Developing Countries	**2.4**	3.3	3.7
Non-Oil Developing Countries	**18.2**	18.5	19.0
Offshore Banking Centers	**1.8**	2.0	1.9
TOTAL	**$48.0**	$48.3	$50.2

(1) Outstandings are presented on a regulatory basis, and include all loans, deposits at interest with banks, acceptances, other interest bearing investments, and other monetary assets. Adjustments are made to include the excess of local currency outstandings over local currency liabilities, if any, for each country included in a category and to allow for external guarantees and collateral.

MEXICO

In October 1986, discussions were finalized between the Bank Advisory Group, of which Citibank, N.A. is a member and principal co-chairman, and Mexico on the commercial bank portion of the country's external financing program. The terms have been sent to Mexico's creditors worldwide. The preliminary terms agreed to by the Bank Advisory Group and Mexico include the following:

- A new loan of up to $6.0 billion will be provided, to be repaid over 12 years with a 5-year grace period for principal payments. The loan includes a $1.0 billion co-financed program with the bank

DATA ON MEXICO AND BRAZIL RESTRUCTURINGS

IN MILLIONS OF DOLLARS	AMOUNT	WEIGHTED AVERAGE RATE MARGIN BEFORE RESTRUCTURING	WEIGHTED AVERAGE RATE MARGIN AFTER RESTRUCTURING	WEIGHTED AVERAGE YEAR OF MATURITY BEFORE RESTRUCTURING	WEIGHTED AVERAGE YEAR OF MATURITY AFTER RESTRUCTURING
Mexico	**$ 539**	0.875% over LIBOR[1][2]	0.8125% over LIBOR[6]	1995	2002
	612	0.875% over LIBOR[1][3]	0.8125% over LIBOR[6]	1995	2002
	342	1.125% over prime[4]	0.8125% over LIBOR[5][7]	1992	1992
TOTAL	**$1,492**				
Brazil	**$ 24**	1.75% over prime	1.125% over LIBOR[6][7]	1985	1992
	78	1.75% over prime	1.125% over LIBOR[6][7]	1986	1987
	478	2% over LIBOR	1.125% over LIBOR[6]	1985	1992
	472	2% over LIBOR	1.125% over LIBOR[6]	1986	1987
TOTAL	**$1,052**				

(1) Rate margins before restructuring were to have been 0.875% over LIBOR (or a comparable domestic reference rate) as shown through 1996, 1.125% over LIBOR for the period 1997-1991, and 1.250% over LIBOR for the period 1992-1998.
(2) These loans had previously been restructured in 1985. Prior to the 1985 restructuring, the weighted average rate margin was 0.772% over various reference rates, including prime and LIBOR and the weighted average year of maturity was 1988.
(3) Prior to the 1985 restructuring, the weighted average rate margin was 1.75% over prime and the weighted average year of maturity was 1987.
(4) Includes $189 million which were covered by the 1986 restructurings. Prior to the 1985 restructuring, the weighted average rate margin was 2.125% over prime and the weighted average year of maturity was 1987.
(5) Or over domestic cost of funds.
(6) Or over an adjusted certificate of deposit (or comparably priced domestic) rate.
(7) At December 31, 1986, prime exceeded LIBOR by approximately 1.25%.

of which the World Bank will guarantee $500 million. The interest margin will be 13/16 percent over the London interbank offered rate (LIBOR) or over domestic cost of funds.

■ The interest margin on $43.7 billion of Mexican public-sector debt which was restructured during the past three years will also be reduced to 13/16 percent over LIBOR. A grace period for principal payments on this debt of 7 years was agreed to with final maturity of 20 years so that these loans will be payable from 1994 to 2006.

■ Except for $950 million originally due in 1985, which will be payable over the five-year period 1989 through 1994, the maturities of approximately $8.6 billion of new loans granted in 1983 and 1984 will remain unchanged, but the interest margin will be reduced to 13/16 percent over LIBOR.

■ The package will also include a commercial bank growth contingency co-financing with the World Bank of $500 million, of which $250 million will be guaranteed by the World Bank, and a commercial bank contingent investment support facility of $1.2 billion to support public- and private-sector investment.

Citicorp's share of the new loan will be approximately $269 million, and its shares of the growth contingency facility and contingent investment support facility will be approximately $22 million and $54 million, respectively. As detailed in the accompanying table, Citicorp's share of the restructured loans totals approximately $1.5 billion. It is not anticipated that any loans will be removed from the cash basis of accounting as a result of the restructuring.

BRAZIL

In July 1986, the Government of Brazil and the participating international banks signed an agreement that affects principal of approximately $6.1 billion of 1985 maturities and $9.6 billion of 1986 maturities of medium-term public and private sector debt. The

CHANGES IN CROSS-BORDER AND FOREIGN CURRENCY OUTSTANDINGS IN MEXICO AND BRAZIL
Adjusted For Net Local Currency Outstandings, External Guarantees, and Collateral

IN MILLIONS OF DOLLARS	MEXICO	BRAZIL
Total Adjusted Outstandings at December 31, 1985	$2,777	$4,658
Short-Term Outstandings[1]		
Net Change	—	(2)
Other Outstandings		
Additional Outstandings	40	589
Interest Income Accrued[2]	177	470
Collections of Principal	(39)	(626)
Collections of Accrued Interest[2]	(188)	(497)
Other Changes	7	(32)
TOTAL ADJUSTED OUTSTANDINGS AT DECEMBER 31, 1986[3]	$2,774	$4,560

(1) Represents trade credits and interbank deposits with original maturities of one year or less.
(2) In 1986, total interest on total adjusted cross-border and foreign currency outstandings included in income was $182 million in Mexico and $529 million in Brazil, and such interest received in cash was $193 million in Mexico and $555 million in Brazil.
(3) Includes short-term outstandings of $526 million in Brazil (none in Mexico).

agreement became effective in September 1986. Under the agreement, the debt that fell due in 1985 has been rescheduled through 1993, with principal payments beginning in 1991 and the debt that fell due in 1986 is payable on the earlier of demand or April 15, 1987. Also, as part of the agreement, interbank and trade lines of approximately $16 billion are being maintained until March 31, 1987.

Citicorp's share of the interbank and trade lines is approximately $661 million. As detailed in the table on the previous page, its share of the restructured loans totals approximately $1.1 billion. It is not anticipated that any loans will be removed from the cash basis of accounting as a result of the restructuring.

Brazil has not commenced discussions with its foreign creditor banks with respect to the rescheduling of 1987 and other maturities of medium-term debt. As an interim measure for the debt maturing during the period January 1, 1987 through March 31, 1987, repayments of principal will be deposited on a demand basis with the Brazilian Central Bank. However, Brazil has recently suffered a reduction of its foreign exchange reserves. Accordingly, this could impact the timing of interest payments and the level of Citicorp's cash basis loans.

OTHER COUNTRIES

The following paragraphs summarize developments in certain other refinancing countries where Citicorp's adjusted total cross-border and foreign currency outstandings were less than 1% of total assets.

Argentina

Discussions between the representatives of the Government of Argentina and the Bank Advisory Committee on a 1986-1987 refinancing program are expected to begin in early 1987. Pending the development of the 1986-1987 program, Citicorp has agreed to the following Argentine government requests: to roll over public- and private-sector principal maturities currently scheduled to fall due through March 31, 1987 for an additional 180-day period; to roll over the first (October 10, 1986) and second (January 12, 1987) installments of the 1983 Term Credit Agreement until April 10, 1987 (the third installment date); and to extend, until June 15, 1987, Citicorp's commitments under the trade credit maintenance facility ($95 million) and standby money market facility ($156 million) which expired on September 13, 1986.

Venezuela

Agreements were signed by Venezuela and the participating international banks in February 1986 encompassing the restructuring of $21.2 billion of Venezuelan public-sector debt. The agreements became effective in October 1986. The restructuring covers principal payments maturing through 1988 and provides for the rescheduling of these maturities over 12 years with quarterly payments commencing in 1987 and ending in 1997. In addition, principal payments totalling $750 million are being paid in accordance with the rescheduling agreements.

Citicorp's share of the restructuring is $709 million. The agreements stipulate interest margins of 1⅛% over LIBOR or other domestic reference rate, compared with a 2.27% weighted spread over reference rates including LIBOR and prime prior to the restructuring. None of Citicorp's outstandings were removed from the cash basis of accounting as a result of the restructuring.

A new program for making foreign exchange available at preferential rates for qualifying private-sector debtors has been approved and is in the process of implementation. Outlines of the program recently announced by the Government are being reviewed.

Philippines

With respect to the Philippines, Citibank and other creditor banks signed an agreement in May 1985 that provides for a new $925 million, 9-year term loan. They also committed to maintain approximately $2.9 billion of short-term trade credit facilities through 1986. In addition, various programs are in place to reschedule approximately $5.8 billion of existing bank debt maturing through 1986.

Citicorp's share of the 9-year term loan is approximately $126 million, and its commitment under the trade credit facility agreement is approximately $753 million. The rescheduling of existing bank debt under the various rescheduling programs involves approximately $371 million of Citicorp's Philippine outstandings.

In October 1986, the International Monetary Fund (IMF) approved a new standby credit facility of Special Drawing Rights (SDR) 198 million with certain conditionalities, as well as, a compensatory financing facility. Pending further negotiations expected in the first quarter of 1987 covering post-1986 maturities and other terms, the creditor banks in December 1986 agreed to a 90-day extension of Philippine debt maturing between January 1 and March 31, 1987. The same banks also agreed to extend the short-term trade credit facility agreement for six months to June 30, 1987. In January 1987, Western creditor nations comprising the Paris Club agreed to reschedule $870 million of the Philippines' official foreign debt maturing between January 1987 and June 1988. The agreement covers the restructuring of all the principal and 70% of the interest and provides for repayment over 10 years including a 5-year grace period.

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CROSS-BORDER AND FOREIGN CURRENCY OUTSTANDINGS
In Countries With Outstandings Exceeding ¾% of Total Assets
Adjusted For Net Local Currency Outstandings, External Guarantees, and Collateral

	CROSS-BORDER AND FOREIGN CURRENCY OUTSTANDINGS[1]					1986	1985	1984
(MILLIONS OF DOLLARS) AT YEAR END	BANKS	PUBLIC SECTOR	PRIVATE SECTOR	TOTAL	ADJUSTMENTS[2]	TOTAL ADJUSTED OUTSTANDINGS[3]	TOTAL ADJUSTED OUTSTANDINGS	TOTAL ADJUSTED OUTSTANDINGS
Japan	$2.3	$ .1	$ .9	$3.3	$2.4	$5.7	$5.8	$7.6
United Kingdom	1.6	.1	1.5	3.2	1.8	5.0	3.6	3.4
Brazil	.6	2.6	1.0	4.2	.4	4.6	4.7	4.9
Canada	.4	-	1.6	2.0	.8	2.8	2.8	2.9
Mexico	.4	1.7	.7	2.8	—	2.8	2.8	2.9
Federal Republic of Germany	.2	.6	.5	1.3	1.5	2.8	2.4	1.7
Philippines	.1	1.0	.4	1.5	.3	1.8	1.8	1.6
Argentina[4]	.5	.5	.6	1.6	(.2)	1.4	1.4	1.2
Korea[4]	.3	—	.6	.9	.3	1.2	1.4	1.4
France[4]	.9	.1	.2	1.2	—	1.2	1.5	2.0
Australia[4]	—	—	.7	.7	.4	1.1	1.8	1.6
Venezuela[4]	.3	.5	.3	1.1	(.1)	1.0	1.2	1.3

(1) Outstandings are presented on a regulatory basis and include loans, deposits at interest with banks, acceptances, other interest-bearing investments, and other monetary assets.
(2) Amounts generally represent excess of local currency outstandings over local currency liabilities, if any. Additionally, adjustments are made to assign externally guaranteed outstandings and outstandings for which tangible, liquid collateral is held outside of the obligor's country to the country of the guarantor and the country in which the collateral is held, respectively.
(3) Legally binding cross-border and foreign currency commitments, including irrevocable letters of credit and commitments to extend credit, after adjustment to assign externally guaranteed commitments to the country of the guarantor, amounted to $.6 billion in Australia; $.8 billion in Canada, $.5 billion in the Federal Republic of Germany; $.10 billion in France, $.7 billion in Japan, $.4 billion in Korea, and $2.2 billion in the United Kingdom at December 31, 1986. Commitments were not material in relation to adjusted outstandings in any other country in the table.
(4) Less than ¾% of total assets at December 31, 1986.
(5) Less than ¾% of total assets at December 31, 1986 and 1985.

CASH BASIS AND RENEGOTIATED COMMERCIAL LOANS

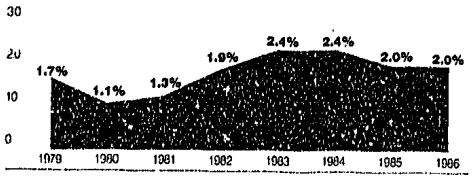
Cash basis (nonaccrual) loans are those on which, as a result of doubt as to collection, income is recognized only to the extent cash is received. Renegotiated loans are those on which the rate of interest has been reduced as a result of the borrower's inability to meet the original terms.

The classification of loans as cash basis and renegotiated is a specialized diagnostic tool used by financial institutions. Citicorp's experience, as well as the experience of others, generally has shown that a substantial percentage of cash basis and renegotiated loans are ultimately collected.

Citicorp's policy of placing loans on cash basis status embraces all loans on which principal or interest is 90 days past due, or when payment of interest or principal is determined to be doubtful of collection. Even if a cash payment may be anticipated, accrued interest is reversed and the loan is put on cash basis status after a 90-day period has elapsed.

Cash basis and renegotiated commercial loans at year-end 1986 were $2.6 billion, up $306 million from a year ago, compared with a $170 million decrease in 1985 from year-end 1984. The 1986 increase primarily reflects increased cash basis loans in the domestic loan portfolio. Cash basis and renegotiated loans as a percentage of total loan volume was 2.0% at December 31, 1986, unchanged from the prior year end. The percentage was 2.4% at December 31, 1984. Cash basis lease financings were $29 million at December 31, 1986 and $35 million at December 31, 1985.

CASH BASIS AND RENEGOTIATED COMMERCIAL LOANS AS A PERCENTAGE OF TOTAL LOANS



Included in overseas cash basis loans are a number of loans in countries that are currently in the process of refinancing their external debt or that have completed such refinancings. In view of investor interest in this aspect of Citicorp's activities, the accompanying table provides additional details of cross-border and foreign currency outstandings and also local and foreign currency cash basis loans in the affected countries; the third column of the table shows the impact on our earnings, spread among various countries. The amounts include interest reversed when loans are placed on a cash basis, plus the cost of carrying the cash basis loans, reduced by interest received in cash and included in income.

DETAILS OF REFINANCING COUNTRIES

	Adjusted Total Cross-Border and Foreign Currency Outstandings	Cash Basis Loans[1]	Estimated After-Tax Impact of Cash Basis Loans on Earnings[2]
	Billions	Millions	Millions
Argentina	$ 1.4	$ 28	$ 6
Brazil	4.6	68	13
Chile	0.6	9	1
Dominican Republic	0.1	2	—
Ecuador	0.4	10	—
Jamaica	0.1	—	—
Mexico	2.8	115	(2)
Morocco	0.1	—	—
Nigeria	0.1	108	(2)
Panama	0.3	4	—
Peru	0.1	31	(1)
Philippines	1.8	100	4
Poland	0.1	104	3
South Africa	0.7	4	—
Uruguay	0.3	1	—
Venezuela	1.0	166	1
Yugoslavia	0.2	—	—
All Other[3]	0.2	103	1
TOTAL	**$14.9**	**$853**	**$24**

(1) Includes both local and foreign currency loans.
(2) Brackets reflect a reduction of earnings.
(3) 14 countries under $50 million of Cross-Border Outstandings: Bolivia, Costa Rica, Honduras, Ivory Coast, Liberia, Malagasy, Malawi, Mozambique, Nicaragua, Senegal, Sudan, Togo, Zaire, and Zambia.

CASH BASIS AND RENEGOTIATED COMMERCIAL LOANS

IN MILLIONS OF DOLLARS	1986 CASH BASIS LOANS	1986 RENEGOTIATED LOANS	1986 TOTAL	1985	1984	1983	TOTAL 1982
Cash Basis and Renegotiated Loans							
In Domestic Offices							
Real Estate Loans	**$ 296**	**$ 8**	**$ 304**	$ 101	$ 233	$ 127	$ 107
Other Commercial Loans	**569**	**6**	**575**	392	302	345	444
In Overseas Offices	**1,670**	**5**	**1,675**	1,755	1,883	1,638	1,111
TOTAL CASH BASIS AND RENEGOTIATED LOANS	**$2,535**	**$19**	**$2,554**	$2,248	$2,418	$2,110	$1,662
Cash Basis and Renegotiated Loans as a % of Commercial Loans			**4.3%**	3.9%	4.1%	3.5%	2.7%
Cash Basis and Renegotiated Loans as a % of Total Loans			**2.0%**	2.0%	2.4%	2.4%	1.9%

Real estate acquired in settlement of loans, included in other assets in the financial statements, totaled $274 million at December 31, 1986, up $24 million from $250 million at December 31, 1985. Domestic real estate represented $243 million of the total real estate at year end, and overseas real estate accounted for $31 million. (For further analysis see Commercial Loan Portfolio Analysis on page 30)

RISK MANAGEMENT

That financial institutions have many risks to manage is a well-known fact. Indeed, risk-taking is an integral part of the business, but what is important is not that risks exist but how they are measured and managed. Effective risk management is critical to the success and long-term profitability of any financial institution.

At Citicorp, risk management is central to all aspects of our businesses and subject to continual review. New risk management techniques continue to evolve in response to changes in the environment and the nature of Citicorp's own businesses. In the past the most significant risks have been interest-rate risk, credit risk, and liquidity risk. But as Citicorp's activities and geographic distribution have expanded into the multi business financial services corporation it is today, the range of risks has broadened to include foreign exchange risk, sovereign and cross-border risk, trading risk, business and environmental risk, legal and regulatory risk, and operations risk.

In this year's annual report, we have taken the opportunity to describe in detail the management of credit risk at Citicorp, the most established and formalized of our risk management processes. That is followed by a discussion of capital and liquidity management and an expanded discussion of interest rate risk management. Elsewhere in this report may be found discussions of risk management as it relates to sovereign and cross-border exposure (page 22), accounting policies (page 57), and non-funds related financial products (page 69).

What all our risk management processes share and what is key to Citicorp's approach in managing risk is clear, sound management policies and their effective communication to all levels of the corporation. These policies are embodied by five principles:

- Diversification in products, tenors, customers, currency, and geography. Rather than "the actuarial base," this diversification hedges against the adverse impact to the institution from any one event or set of conditions.
- Decentralized management to keep decision-making as close to the marketplace as possible and to ensure that those decisions are based on the best available information and on a close understanding of the changes that could affect us.
- Strong financial and operating controls, including formally established limits for liquidity, interest rate gaps, foreign exchange, and trading exposure for all Citicorp units. Sovereign risk and cross-border risks are also subject to a formal review process by senior management. All businesses are required to document operational procedures specifying levels of approval authority and separation of duties.
- Conservative accounting policies applicable to credit losses which ensure that write-offs are recognized at the earliest moment.
- An independent review process. Citicorp's internal audit staff exceeds 700 people. External auditors and regulatory bodies around the world also perform examinations.

But however thorough and sound our policies are, they cannot be better than the quality of information provided. Our extensive electronic information systems represent a substantial investment in state-of-the-art technology that supplies timely and accurate information to all levels of management.

Finally, Citicorp continues to believe that strong earnings, in conjunction with a large capital base, provide the ability to absorb unforeseen risks or losses.

THE CREDIT PROCESS AT CITICORP

In our subsequent risk analysis discussion of the commercial and consumer loan portfolios, it is clear that Citicorp is operating many of its businesses in unusual and difficult economic environments. We believe that the best protection over time against risks created in our loan portfolio, regardless of the economic environment, is the maintenance of a strong credit culture embodying sound fundamental credit practices. These practices are applied not only to loans but to all transactions that could result in a claim on a third party. For each new product, we fine tune our credit practices, but the basic approach as outlined below remains unchanged.

From the time a loan or other credit transaction is first considered until it is paid, Citicorp's comprehensive credit process controls the risk. It operates at all levels in all Citicorp businesses and is applied from the smallest loan to the largest. It is the responsibility of our line business managers and is supported and controlled by a staff of credit specialists who not only monitor the quality of the credit but insure that our policies and procedures are followed at every step.

These policies and procedures, developed out of many years of experience and continuously updated, form the foundation of Citicorp's credit process.

It all starts with a three-initial requirement—three lending officers, each exercising independent judgment, must approve every credit or credit program and initial it. High value is placed on the initial. The owners are held accountable for their credit judgments, and their reputations throughout Citicorp rest upon the skill in credit decision making they represent.

As transactions get larger, an increasing level of skill and experience is brought to bear. For large loans, two of the initials must be those of a "senior credit officer," a designation given to only 485 Citicorp professionals. To be designated as a senior credit officer requires at least ten years of successful lending experience in several areas, maturity of judgment, and a willingness to continually improve credit skills of others.

Two thirds of the senior credit officers also have direct business management responsibilities so that their credit judgment reflects a close knowledge of their customers and markets. We believe that decision-making must be placed as close as possible to the market to ensure that credit evaluation is based on the best available information. The other third of the senior credit officers are in full-time risk-control assignments, managing credit and audit staffs.

Each year the performance of every senior credit officer is reviewed, and the designation can be withdrawn if credit judgment has not been exercised with proper care and diligence.

At the top of this pyramid sits the Credit Policy Committee, consisting of 11 of our most experienced credit professionals. It is closely involved in all large or unusual transactions and oversees the maintenance of sound portfolio standards in each of our businesses. Each member of the Credit Policy Committee is responsible for certain banking groups or businesses, and they are stationed in the major credit centers around the world. They coordinate their activities during weekly teleconferences and scheduled reviews of transactions and portfolios.

This system of checks and balances ensures that our credit policies and procedures are functioning effectively and on a timely basis, from loan initiation and proper documentation to remedial credit management when necessary.

Maintenance of the credit discipline starts with our insistence that line managers follow the credit process, manage it actively and aggressively, and be realistic about the quality of their portfolios. They are held accountable for staying within defined target markets and approved product types, and must document operational procedures that specify levels of approval authority and separation of duties.

Citicorp's conservative accounting policy demands that credit write-offs be recognized at the earliest moment. In the Institutional Bank, credit policy requires that as soon as loss situations are recognized, charge-offs be taken even if the actual loss, such as bankruptcy or liquidation, has not yet occurred. Thus, we consider the allowance for possible credit losses to be a general reserve, available for potential credit losses in the portfolio that might occur in the future.

In the Individual Bank, a different method for computing write-offs is used, generally based on loans reaching a predetermined number of days past due on a contractual basis.

In both businesses, our early identification of write-offs and well-developed procedures for managing problem credits lead to a higher probability of principal recovery.

A strong independent review process ensures that our controls and procedures are followed. The Risk Asset Review group conducts periodic independent examinations of both credit quality and credit process at the lending unit level. They are also responsible for identifying any problem loan situations not yet identified by line management as well as any substandard elements of the credit process.

These audits are conducted by senior officers with an average of ten years' line lending experience who are on temporary two-year

or three-year auditing assignments. By using such experienced people, we achieve a high level of efficiency. The fact that these auditors were themselves senior line managers gives them a great deal of credibility. Failure to pass the audit review process is a very serious issue.

An example of our major investment in information systems is Citiloc, an on-line computer system that monitors all classified outstanding credits in the commercial loan portfolio. It also provides summaries on concentration of risk by industry and geographic area, factors that are continually monitored by the Credit Policy Committee.

Remedial credit management is also crucial to our credit process. Our Institutional Recovery Department, based in New York, is staffed by 20 professionals whose major responsibilities are maximizing recoveries on large credit problems, as well as minimizing losses. This group also shares their experience and skills with remedial management teams in almost all of our business units around the world.

In consumer lending, our credit process has the same conceptual structure as credit management for commercial loans. But the actuarial nature of consumer banking makes available additional credit management tools and skills. Key to the individual Bank processes is the monthly consumer portfolio review, which uses a centralized management information system that identifies trends in delinquencies or write-offs by product. Whenever these levels deviate from business profit models, the individual Bank credit management professionals and line managers review the reasons for the variance and start appropriate remedial action. This kind of review also enables the line businesses to continuously fine tune and improve their credit criteria. Our audit specialists in the individual Bank have the same strong, independent portfolio quality review functions.

In summary, we continue to believe that our decentralized system that places highly qualified decision makers close to their customers produces the best credit decisions. This system is supported by strong controls and auditing processes. These, coupled with our philosophy of spreading out risk, never committing too much to one borrower and working continuously to maintain the risk-reward trade-off of our products within a dynamic policy framework, will result in predictable and balanced credit quality over time.

COMMERCIAL LOAN PORTFOLIO ANALYSIS

Citicorp's management philosophy has always emphasized the importance of assets and earnings being diversified in terms of geography, currency, customer, tenor, and product. This diversification, referred to as the "actuarial base," hedges against the adverse impact to the institution from any one event or set of conditions. History has shown that adverse developments affecting individual countries or industries or particular products tend to be cancelled out by favorable developments in other activities in the long run. Citicorp utilizes this strategy of broad diversification in its loan portfolio management to better control the amount of unpredictable losses. For example, no single country outside the United States has accounted for more than 9% of the total commercial loan portfolio in the last five years. However, banks are in the business of measured risk-taking, and losses are part of the normal cost of lending money. In commercial lending, the amount of losses as a percentage of outstanding loans can vary widely from period to period and is particularly sensitive to fluctuations caused by changing economic conditions. The percentage of loan losses to average loans reached a post-war peak of .83% in 1975 due primarily to the 1973-1975 recession in the U.S. which particularly affected the real estate industry. The loss percentage steadily improved in the 1975-1980 period, paralleling the progress of economic recovery in the wake of the past recession. As the pace of economic growth slowed, initiating a continuing period of weakness in certain industries, the percentage rose to .32% in 1982 and .65% in 1985 and reached .72% in 1986. These percentages are below the 1975 high. Looking ahead over the next 12 to 18 months we expect our loss experience will remain within the range experienced in the past five years. Citicorp emphasizes a well-diversified and healthy earnings stream as the primary means of absorbing recurring loan losses. Accordingly, Citicorp immediately recognizes as losses all loan amounts judged to be uncollectible. Over time a significant portion of these losses are recovered. Historical experience indicates that certain losses exist in the portfolio at a point in time but have not been specifically identified. In anticipation of these unidentified losses, the allowance for possible credit losses is established by charging current earnings with amounts over and above actual net credit losses. No portion of the resulting allowance is specifically allocated or restricted to any individual loan, groups of loans, or geographic areas, and the entire allowance is available to absorb losses from any and all loans and lease financing receivables. In order to assess the risk characteristics of the loan portfolio at year-end 1986, Citicorp believes it is appropriate to view the portfolio according to the elements shown in the accompanying table.

COMMERCIAL LOAN PORTFOLIO, NET OF UNEARNED DISCOUNT

IN MILLIONS OF DOLLARS	LOANS AT DECEMBER 31, 1986	1986 AVERAGE LOANS	1986 NET LOAN AND LEASE LOSSES (RECOVERIES)	1986 LOSSES TO AVERAGE LOANS	1985 AVERAGE LOANS	1985 NET LOAN AND LEASE LOSSES (RECOVERIES)	1985 LOSSES TO AVERAGE LOANS
Commercial and Industrial Loans[1]							
In Domestic Offices	$16,868	$12,361	$ 73	.6%	$12,827	$ 59	.5%
In Overseas Offices[2]	22,922	26,210	259	1.0%	27,929	249	.9%
TOTAL	$39,790	$38,571	$332	.9%	$40,756	$308	.8%
Loans to Financial Institutions							
In Domestic Offices	$ 875	$ 416	$ —	—	$ 604	$ —	—
In Overseas Offices[2]	4,341	4,507	19	.4%	4,733	19	.4%
TOTAL	$ 5,216	$ 4,923	$ 19	.4%	$ 5,337	$ 19	.4%
Real Estate Loans[1]							
In Domestic Offices	$ 7,570	$ 7,032	$ (1)	—	$ 5,300	$ —	—
In Overseas Offices	2,311	2,107	30	1.4%	1,995	14	.7%
TOTAL	$ 9,881	$ 9,139	$ 29	.3%	$ 7,295	$ 14	.2%
Loans to Governments and Official Institutions[3][4]	$ 4,552	$ 5,076	$ 33	.7%	$ 4,695	$ 36	.8%
TOTAL COMMERCIAL LOANS	$59,439	$57,709	$413	.7%	$58,083	$377	.7%

(1) Includes loans not otherwise separately categorized
(2) Loans to government-owned enterprises and banks that are not included in direct loans to governments and official institutions are included in commercial and industrial loans and loans to financial institutions, respectively
(3) Loan classifications are based on Comptroller of the Currency definitions
(4) Substantially all in overseas offices

COMMERCIAL AND INDUSTRIAL LOANS

Citicorp's commercial and industrial loan portfolio is broadly diversified in terms of industry, geography, and size of customer. None of the major industry segments in Citicorp's commercial and industrial loan portfolio represents a significant concentration.

This diversification has proven to be a successful factor in controlling risk. The weakness of the worldwide economy in certain industry sectors contributed to an increase in the net loan loss ratio to .9% in 1986, with higher losses overseas. In the past five years, commercial and industrial loan loss experience has ranged between .4% and .9%. Net losses on commercial lending can vary widely from period to period, particularly within any given narrowly defined sector. While loan losses in commercial and industrial lending cannot be accurately predicted, Citicorp expects that over the next 12 to 18 months its loan losses will remain within the range experienced in the last five years.

LOANS TO FINANCIAL INSTITUTIONS

Loans extended to correspondent banks and other financial institutions in the U.S. and overseas averaged $4.9 billion, or approximately 9%, of Citicorp's portfolio.

Credit experience in this portfolio continues to be better than average, particularly in light of the difficulties that were experienced by some institutions in the banking industry this past year. Potential loan losses to financial institutions are anticipated to remain below that for commercial and industrial lending, and this trend is expected to continue over the next 12 to 18 months.

REAL ESTATE LOANS

Despite well-publicized problems in the U.S. commercial real estate economy in 1986, the domestic portfolio continued to generate recoveries. These were offset by losses in the international portfolio, which resulted in a net loss overall. Over the next 12 to 18 months, credit losses are expected to remain within acceptable levels.

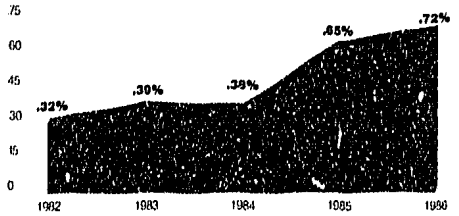
LOANS TO GOVERNMENTS AND OFFICIAL INSTITUTIONS

International lending to governments and official institutions is a continuing part of Citicorp's worldwide activities. Outstanding loans to governments and official institutions averaged $5.1 billion during 1986 and were approximately 9% of the average commercial loan portfolio.

Losses recorded in this category largely represent certain instances where portions of loans were written off based on a protracted inability to service foreign currency debt and a lack of definitive prospects for the resumption of orderly debt servicing.

During the next 12 to 18 months, Citicorp expects the net loss ratio in this category to remain within the range experienced in the last five years. However, excluding those instances of write-offs based on foreign currency debt servicing considerations, Citicorp expects any losses to be well below those in commercial and industrial lending.

PERCENT OF COMMERCIAL LOAN & LEASE LOSSES TO AVERAGE LOANS



NET LOAN AND LEASE LOSSES, IN MILLIONS OF DOLLARS

1982	1983	1984	1985	1986
$192	$241	$221	$377	$413

AVERAGE LOANS, NET OF UNEARNED DISCOUNT, IN MILLIONS OF DOLLARS

1982	1983	1984	1985	1986
$58,610	$60,561	$59,027	$58,083	$57,700

CONSUMER LOAN PORTFOLIO ANALYSIS

The profit dynamics of consumer lending are such that each product has an expected level of credit loss, which is generally a statistically predictable expense of doing business. For example, loans with low loss experience include home mortgage loans (first and second) and government-guaranteed student loans. Loans with medium loan loss experience are secured products, such as mobile home loans and automobile loans. Included in the category of high loan loss experience are such unsecured products as credit cards, travel and entertainment cards, and other personal revolving credit products. Pricing and marketing policies reflect the loss experience of each particular product.

Citicorp follows a write-off policy that requires that most consumer loans, with the exception of adequately secured consumer mortgages, be written off when payments are delinquent by a predetermined number of days after the contractual payment date. The number of days is set at a level appropriate to loan product and environmental characteristics so as to result in the recognition of losses that makes the likelihood of subsequent recovery of those losses fall between 20% to 30%. Those loans not yet written off and with principal or interest payment delinquencies of 90 days or more comprised 1.93% of the total year-end 1986 consumer loan portfolio, an increase from the comparable 1985 ratio of 1.55%. The policy for suspending accruals of interest on consumer loans varies depending on the terms, security, and loan loss experience characteristics of each product and in consideration of write-off criteria in place. Consumer loans for which accruals of interest had been suspended were $840 million at year-end 1986. Foregone interest revenue resulting from suspension of interest accruals was not material in 1986. Consumer loans with delinquencies of 90 days or more for which interest continued to be accrued were $557 million at year-end 1986.

Losses as a percentage of average loans were up substantially from 1.23% in 1985 to 1.58% in 1986. This increase in credit loss expense was driven by three factors: the newness of the credit card receivables which historically have higher loss rates during the early stages of portfolio formation; an increase in personal bankruptcy filings which accelerate loss recognition; and the impact of weak economies in states with high dependence on energy and agriculture, specifically on segments of our mobile home portfolio. Increased collection efforts and appropriate modification of credit criteria have stabilized these segments of the portfolio. The lower risk, secured lending segment (mostly mortgages) which is 47% of the worldwide portfolio continues to perform at stable and very low credit loss expense levels.

ANALYSIS

umer lending are such xpected level of credit tatistically predictable s. For example, loans with lo home mortgage loans ranteed student loans. co are secured products, obile loans. Included in co are such unsecured ertainment cards, and ls. Pricing and marketing ach particular product. requires that most dequately secured on payments are delinquent r the contractual payment l appropriate to loan ics so as to result in the lihood of subsequent)% to 30%. Those loans terest payment rised 1.93% of the total an increase from the ncy for suspending varies depending on once characteristics write-off criteria in place. interest had been d 1986. Foregone interest erest accruals was not delinquencies of 90 days be accrued were

ans were up substantially increase in credit : the newness of the have higher loss rates tion; an increase in rate loss recognition; and with high dependence n segments of our mobile rts and appropriate zed these segments of ding segment (mostly vide portfolio continues oss expense levels.

DOMESTIC PORTFOLIO

The average domestic loan portfolio increased by $9.0 billion to $49.6 billion. Growth occurred in each category of consumer credit loss expense experience.

	1986 AVERAGE LOANS (BILLIONS)	1986 NET LOSSES (IN MILLIONS)	1986 LOAN LOSS RATIO	1985 LOAN LOSS RATIO
Credit loss expense experience:				
Higher	$14.1	$696	4.9	3.8
Medium	11.1	167	1.5	1.0
Lower	24.4	13	0.1	0.1
TOTAL	$49.6	$876	1.8	1.3

The relative year-to-year comparisons in the portfolio are shown in the following table:

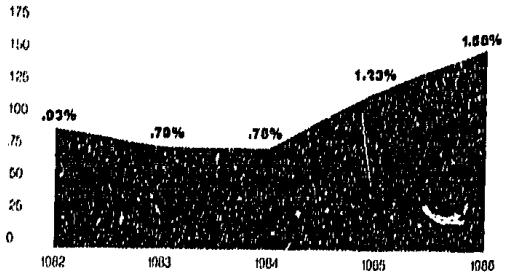
PERCENT OF AVERAGE LOANS	1986	1985	1984
Higher	29	28	24
Medium	22	22	23
Lower	49	50	53
TOTAL	100	100	100

INTERNATIONAL PORTFOLIO

The average international portfolio volume rose from $72 billion to $111 billion, principally due to a combination of new acquisitions and growth of base business. The portfolio remains concentrated in the major industrial nations of Europe and Asia.

EUROPE	AVERAGE LOANS (IN BILLIONS)	%	ASIA/PACIFIC	AVERAGE LOANS (IN BILLIONS)	%	LATIN AMERICA	AVERAGE LOANS (IN BILLIONS)	%
Germany	$3.3	30	Australia	$0.7	6	Puerto Rico	$0.8	7
U.K.	1.8	16	Hong Kong	0.7	6	Other	0.5	5
Other	2.2	20	Other	1.1	10			
TOTAL	$7.3	66	TOTAL	$2.5	22	TOTAL	$1.3	12

PERCENT OF CONSUMER LOAN & LEASE LOSSES TO AVERAGE LOANS



NET LOAN AND LEASE LOSSES, IN MILLIONS OF DOLLARS

1982	1983	1984	1985	1986
$104	$196	$266	$585	$956

AVERAGE LOANS, NET OF UNEARNED DISCOUNT IN MILLIONS OF DOLLARS

1982	1983	1984	1985	1986
$10,703	$24,923	$30,755	$47,737	$60,700

CAPITAL ANALYSIS

During 1986, Citicorp increased total capital by $5,583 million, or 35%, to a year-end total of $21,531 million, 10.88% of total assets, compared with a ratio of 9.12% at year-end 1985. This increase included internal equity generation, the issuance of common and perpetual preferred stock, growth of the allowance for possible credit losses, and the issuance of subordinated capital notes mandatorily convertible to equity including such notes with no stated maturity and non-convertible long-term debt.

Citicorp has continued to develop new markets and new instruments for raising capital and to respond quickly to regulatory and market changes. Following the announcement by the Federal Reserve in November 1986 permitting debt with no stated maturity to be included in primary capital under certain conditions, Citicorp became the first U.S. bank holding company to issue this type of subordinated capital notes in a $500 million sale.

In June 1986, Citicorp issued 5 million shares of common stock for $285 million, one million shares of which were sold outside the U.S. Citicorp also issued an additional $150 million of perpetual preferred stock, $249 million in subordinated mandatorily convertible capital notes, and $3,069 million of non-convertible subordinated long-term debt which, under existing regulatory guidelines, is included in total capital.

During 1986, Citicorp increased primary capital by $2,598 million, or 24%, to a year-end total of $13,490 million, 6.82% of total assets, compared with a ratio of 6.23% at year-end 1985.

Both total and primary capital ratios were well above the regulators' minimum requirements of 6.0% for total capital and 5.5% for primary capital for national banks and bank holding

companies. In addition, the capital ratios for each of Citicorp's domestic subsidiary banks and savings and loan associations also were maintained above the regulatory minimum requirements.

COMPONENTS OF CAPITAL

IN MILLIONS OF DOLLARS	DEC. 31, 1986	DEC. 31, 1985	CHANGE
TOTAL CAPITAL	**$21,531**	$15,948	$5,583
Of which:			
Common Stock and Surplus	**$ 1,636**	$ 1,250	$ 386
Preferred Stock	**1,365**	1,215	150
Retained Earnings	**6,059**	5,300	759
Allowance for Possible Credit Losses	**1,698**	1,235	463
Qualifying Subordinated Capital Notes	**2,648**	1,815	833
Minority Interest in Consolidated Subsidiaries	**84**	77	7
PRIMARY CAPITAL	**$13,490**	$10,892	$2,598
Remainder of Subordinated Capital Notes	**$ --**	$ 84	$ (84)
Redeemable Preferred Stock	**40**	40	--
Qualifying Debt	**8,001**	4,932	3,069
SECONDARY CAPITAL	**$ 8,041**	$ 5,056	$2,985

Primary Capital, as defined by the Federal Reserve, includes Total Stockholders' Equity, the Allowance for Possible Credit Losses, Qualifying Subordinated Capital Notes, and Minority Interest in Consolidated Subsidiaries.
Total Capital includes Primary Capital, Redeemable Preferred Stock, and gross Qualifying Debt.

LIQUIDITY MANAGEMENT

Citicorp defines adequate liquidity as having funds available at all times to repay fully and promptly all maturing liabilities including customer demand deposits in accordance with their terms. However, one economic function performed by banks and bank holding companies as financial intermediaries is to assume liquidity risk by borrowing for shorter terms than they lend. Thus, successful liquidity management is essential to the ability of a bank or bank holding company to fulfill one of its prime economic functions. Liquidity is critical to maintaining market confidence. Each individual business and legal entity within Citicorp must manage its liquidity to ensure it can constantly meet its obligations.

The management of liquidity exposure is facilitated by forecasting the maximum outflow of funds net of anticipated receipt of funds. Calculating the maximum cumulative outflow of funds permits managers to anticipate potential liquidity problems and funding needs months ahead.

Citicorp's strategy is to enhance liquidity two ways: by extending the maturities of its liabilities, and by diversifying its funding sources. In 1986, Citicorp raised a total of $7,436 million of debt with a maturity of one year or longer including $1,252 million with final maturities of 20 years or longer.

Extensive diversification by market, by currency, by lender, by maturity and by instrument enhances liquidity. Over the years, Citicorp has been able to react quickly to changing market conditions including the development of new funding sources. Importantly, liquidity has been enhanced through the growth of consumer liabilities that have added further stability and depth to Citicorp's funding profile. In 1986, average U.S. consumer liabilities grew by $2.8 billion from $29.9 billion to $32.7 billion. In addition, increased securitization of single family home mortgages and sales of participations in commercial loans have significantly improved liquidity.

The combination of issuance of long-term debt, increased customer deposits in several countries around the world, but particularly in the U.S., and creation of assets which could be sold readily in the market has given Citicorp an unprecedented level of liquidity.

MANAGEMENT OF INTEREST RATE EXPOSURE

Interest rate exposure is the sensitivity of earnings to changes in interest rates. This exposure exists when market interest movements affect assets and liabilities differently. Banks assume interest rate risk as a basic economic function and derive income for undertaking this risk. The less interest rate risk assumed, the less income is likely to be earned. Activities that neutralize interest rate exposure are also likely to minimize earnings potential.

Citicorp senior management has established parameters for Citicorp worldwide within which interest rate exposure is to be managed. Thus, Citicorp manages the portion of earnings that will be exposed to interest rate movements in the expectation of taking advantage of the opportunities to increase earnings resulting from properly anticipated movements in interest rates.

It is the responsibility of Citicorp's Finance Committee to establish and oversee policy regarding interest rate exposures. The Committee, which meets on a monthly basis, is composed of members of senior management including a Vice Chairman, Sector and Group Executives, and the Chief Financial Officer. The committee reviews the institution's total interest rate exposure and ensures that the potential impact on earnings from future changes in interest rates is kept within the confines of established limits.

The Finance Committee's analysis of Citicorp's overall interest rate position breaks interest rate exposure into two repricing ranges: by month up to one year (short-term exposure) and longer than one year (long-term exposure). The analysis focuses on expected behavior of assets and liabilities rather than the contrac-

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of established limits.
Citicorp's overall interest
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tual form. For instance, the anticipated impact of home mortgage prepayments in a period of rapidly declining rates is factored into the analysis. The purpose of this analysis is to be certain that the maximum potential risk on future earnings resulting from the impact of possible future changes in interest rates on currently existing net asset or net liability positions is dimensioned and managed. Interest rate exposure limits are set at a maximum of 10% of Citicorp's annual earnings. The amount of earnings at risk is calculated by applying the most adverse historical interest rate environment to the current exposure position.

Interest rate exposure is also created in Citicorp's trading portfolios, which are managed to take advantage of short-term market opportunities. Trading portfolios, which include non-funds related products, are revalued to market with gains and losses reflected in earnings on a current basis. Trading positions are managed under a separate process of specific portfolio limits.

While overall corporate targets are established by the Finance Committee, Citicorp's basic strategy of diversification and decentralization permits the business and country treasurers to take interest rate positions they deem appropriate to the size and nature of their businesses within the limits set for that unit. Local asset and liability committees establish and monitor these limits subject to approval by the Finance Committee. Overseas units are not permitted to maintain significant long-term U.S. dollar interest rate exposure.

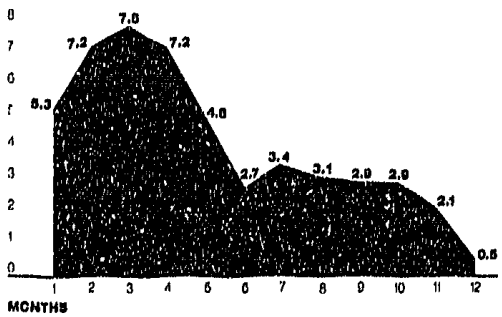
Because the net exposure of the sum of the individual units' interest rate positions will not necessarily match the overall corporate objectives, the Finance Committee is responsible for taking actions which will adjust Citicorp's total U.S. dollar interest rate exposure to meet the corporate objective. These actions include the issuance of fixed and floating rate debt and interest rate hedges using non-funds related products such as interest rate swaps, futures, and options.

As a consequence of the size and diversity of Citicorp's customer base for both assets and sources of funds, there are offsetting rate exposure factors among our assets, liabilities and certain non-funds related activities. A factor that might have an adverse effect on earnings from one asset or liability may be beneficial to earnings of another asset or liability and thus cushion the exposure of Citicorp's earnings.

A small portion of Citicorp's total earnings at risk is denominated in currencies other than U.S. dollars, including Deutsche marks, yen, pounds sterling, Australian dollars, and Canadian dollars. These exposures tend to be offsetting in the longer term, as interest rates in all currencies do not move in the same magnitude, or even in the same direction, at the same time.

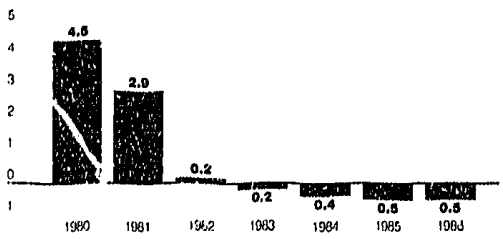
The accompanying charts illustrate Citicorp's long-term and short-term dollar interest rate positions, as well as long-term interest rate positions in selected other currencies. Trading positions, including non-funds related products, are not included in the accompanying interest rate positions since the effects of interest rate changes are recognized in earnings on a current basis. While the charts capture Citicorp's position at points in time, in reality, these positions are constantly changing with the flow of assets and liabilities.

SHORT-TERM WORLDWIDE DOLLAR INTEREST RATE GAP*



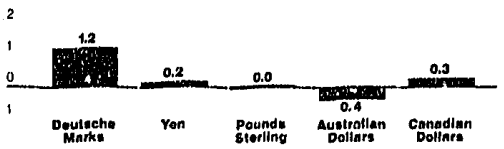
*Excess of assets over liabilities, including the effects of non-funds related products utilized for hedging purposes, with repricing dates beyond the month shown.

LONG-TERM DOMESTIC U.S. DOLLAR INTEREST RATE GAP*



*Excess of assets over liabilities, including the effects of non-funds related products utilized for hedging purposes, with repricing dates beyond one year.

LONG-TERM INTEREST RATE GAP* IN SELECTED CURRENCIES



*Excess of assets over liabilities, including the effects of non-funds related products utilized for hedging purposes, with repricing dates beyond one year.

SENIOR MANAGEMENT

In the previous sections, we have discussed who our customers are, how they are responding to a fast-changing financial environment, how we are meeting their needs now, and our strategy for the development of innovative ways to meet future needs. Citicorp brings a unique combination of products and services, talent, and experience to its customers. Some of our senior management have been pictured within the discussions of the businesses. Rounding out that team are the senior managers shown below and on the following page.

From left to right:
Richard J. Lehmann,
Victor Menezes,
David S. Van Pelt,
Paul J. Collins.

From left to right:
Daniel T. Jacobsen,
Charles E. Long,
Paul Kolterjahn,
George J. Clark.

M E N T

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From left to right:
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David S. Van Pelt,
Paul J. Collins

From left to right:
Thomas E. Jones,
Donald S. Howard,
Pamela P. Flaherty,
Lawrence R. Glenn,
Paul F. Glaser

From left to right:
Daniel T. Jacobson,
Charles E. Long,
Paul Koltergahn,
George J. Clark

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CITICORP IN BRIEF

PEOPLE

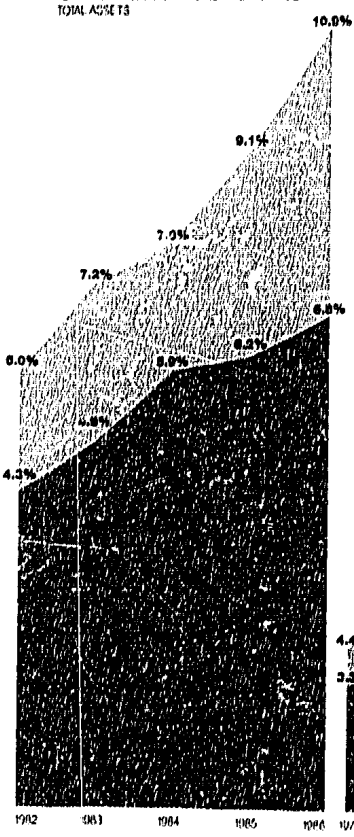
Common Stockholders	50,000
Staff	
Domestic	49,000
Overseas	39,500
TOTAL	**88,500**

OFFICES

United States (1,214 offices in 40 states and the District of Columbia)	
Citibank, N.A., branches	301
Citibank, N.A., subsidiaries	65
Citibank (New York State), N.A., branches	46
Citibank (New York State), N.A., subsidiaries	35
Citicorp Savings	236
Other Citicorp subsidiaries	531
Overseas (1,907 offices in 91 countries)	
Citibank branches and representative offices	286
Banking subsidiaries	609
Banking affiliates	96
Other financial affiliates and subsidiaries	916
TOTAL DOMESTIC AND OVERSEAS	**3,121**

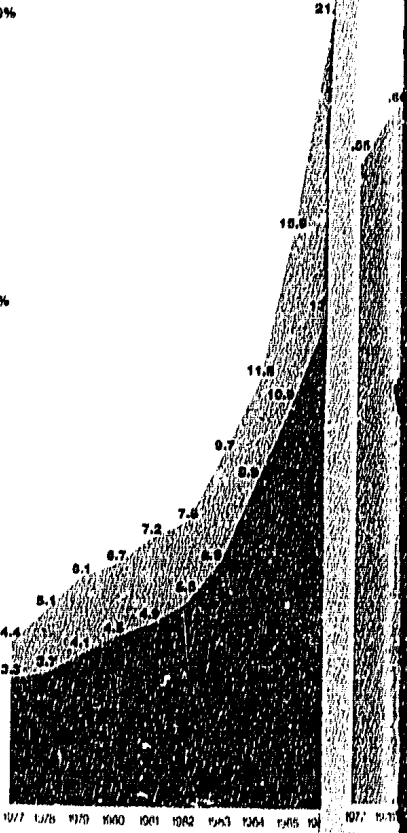
CAPITAL RATIOS
PERCENT

YEAR-END TOTAL CAPITAL AS A PERCENTAGE OF TOTAL ASSETS
YEAR-END PRIMARY CAPITAL AS A PERCENTAGE OF TOTAL ASSETS



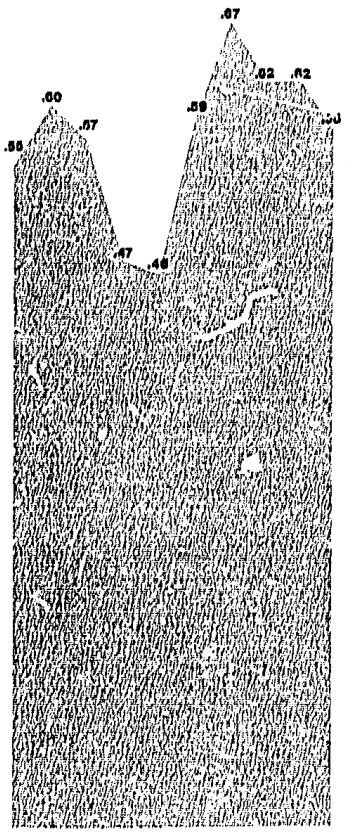
TOTAL CAPITAL AND PRIMARY CAPITAL
IN BILLIONS OF DOLLARS AT YEAR-END

TOTAL CAPITAL
PRIMARY CAPITAL



RETURN ON AVERAGE ASSETS*

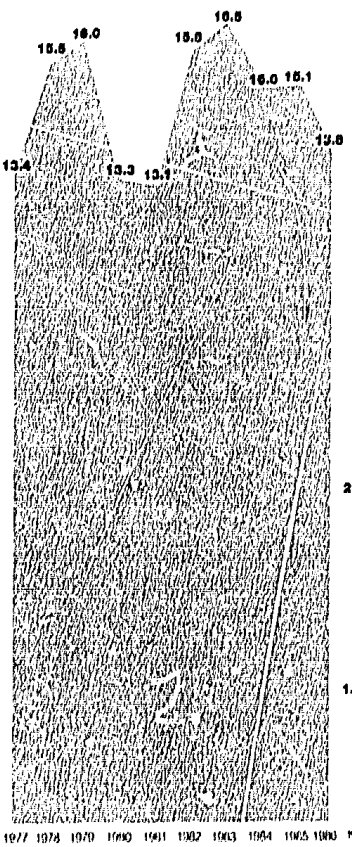
PERCENT



*Net Income as a Percentage of Average Total Assets

RETURN ON COMMON STOCKHOLDERS' EQUITY*

PERCENT

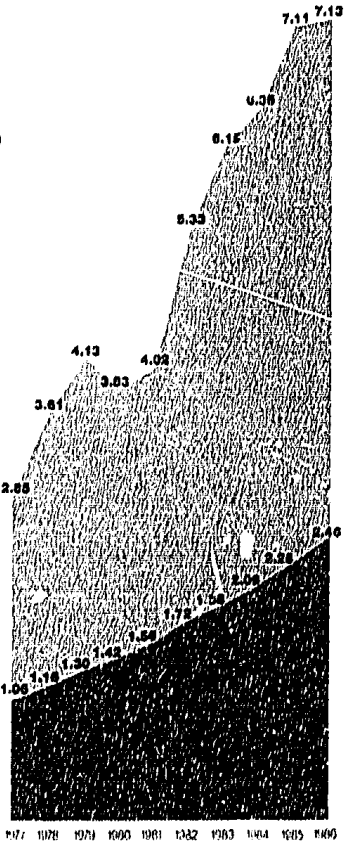


*Net Income Less Preferred Stock Dividends as a Percentage of Average Common Stockholders' Equity

NET INCOME AND COMMON DIVIDENDS PER SHARE

DOLLARS

NET INCOME (FULLY DILUTED)
ANNUAL COMMON DIVIDEND RATE AT YEAR END



THE BUSINESSES OF CITICORP

Citicorp, a holding company, was incorporated in 1967 under the laws of Delaware and is the sole shareholder of Citibank, N.A.

Today Citicorp, with its subsidiaries and affiliates, is a multinational financial services organization. Its staff of 86,500 people serves the financial needs of individuals, businesses, governments, and financial institutions in over 3,100 locations, including branch banks, representative offices and subsidiary and affiliate offices in 40 states and the District of Columbia and 91 other countries throughout the world.

Citicorp, Citibank and their subsidiaries and affiliates are subject to intense competition in all aspects of their businesses from both bank and nonbank institutions that provide financial services and, in some of their activities, from governmental agencies.

The impact of inflation on Citicorp and other financial institutions is significantly different from the impact in industries that require a high proportion of investment in fixed assets. The assets and liabilities of a financial institution are primarily monetary in nature. During periods of inflation, monetary assets lose value in terms of purchasing power, and monetary liabilities have corresponding purchasing power gains. The financial statements and other data appearing in this annual report, and in particular the discussion of interest rate risk management on page 34, illustrate how Citicorp operates in an environment of changing interest rates and inflationary trends.

In order to meet the challenges of today's and tomorrow's marketplace, Citicorp has organized its activities around customer oriented core businesses: the Individual Bank, which focuses on serving the needs of consumers, and the Institutional Bank, Investment Bank, and Information Business, which work in conjunction to serve corporations, financial institutions, and governments. For further information regarding the core businesses see the sector discussions below.

SECTOR PERFORMANCES

NET INCOME—SECTOR AND CORPORATE ITEMS

(MILLIONS OF DOLLARS)	1986	1985(1)	VAR.	%
Individual Banking	$ 462	$ 327	$135	41
Institutional Bank Products delivered to Institutional Relationships	443	400	43	11
Investment Bank Products delivered to Institutional Relationships	357	290	67	23
Investment Banking Products	72	134	(62)	(46)
Information Business	(34)	(8)	(26)	—
Sector Earnings	$1,300	$1,143	$157	14
Corporate Items	(242)	(145)	(97)	(67)
TOTAL CITICORP	**$1,056**	$ 998	$ 60	6

(1) Restated to reflect organizational changes.

INDIVIDUAL BANKING

Individual Bank earnings rose to $462 million, up 41%, or $135 million over 1985. Growth in net income was achieved in most of the Sector's major businesses, both domestically and abroad.

Domestically, earnings gains were paced by the Sector's national credit card and mortgage businesses and the New York branch system. Continuing market share gains enhanced the Sector's dominant market positions in credit cards and in New York. The Sector also continued to build its national mortgage bank where loan originations reached record levels. The Private Banking Group showed strong earnings gains domestically and internationally, as loan and deposit volumes, assets under management, and securities-related revenues increased significantly. The Individual Bank's international activities in three geographic regions—Asia/Pacific, Europe, and Latin America—also posted strong earnings.

The improvement in Individual Bank returns was driven by its major businesses—card products, private banking, the New York branch system, and most overseas activities—which substantially exceeded corporate return targets, while returns from other developing businesses were below corporate hurdles.

Average assets increased 27%, led by mortgage and credit card activities. Lower domestic interest rates helped propel demand for mortgage financing to record levels. First mortgages grew 36% despite $4.6 billion in first mortgage sales, as the packaging and selling of mortgages has become an integral part of this business. Card receivables rose 20%, while card accounts increased to 17.5 million.

Revenue momentum continued as customer net revenue increased 35% to $5.6 billion, primarily related to higher customer asset and liability volumes, which grew 23% and 21%, respectively. Fees increased 31%, driven by record mortgage servicing volumes and the increased credit cardholder base. Higher gains on sales of mortgage pass-throughs and mortgage-backed securities also contributed to revenue growth.

The rapid increase in customer assets and revenues was accompanied by higher credit cycle expense, which includes write-offs. The higher write-offs were driven by volume increases, particularly in credit card receivables, which have an historically higher credit loss experience in the early years of portfolio formation. Additionally, write-offs were higher in certain segments of the mobile home portfolio due to economic conditions in certain parts of the United States. The higher write-offs were reflected in the comparative ratios of net loan losses to average loans: 1.58% compared with 1.23% in 1985. The Sector was charged $59 million during the year to maintain its allowance for possible credit losses at .50% of year-end loans; the comparable charge in 1985 was $61 million.

In contrast to the 35% increase in customer net revenue, delivery expense increased by 26%, or $700 million, year-to-year. This increase was primarily related to the support of base businesses, particularly in the area of higher processing costs for expanded customer volumes. The remainder of the increase was directed toward initiatives aimed at improving our longer-term positioning and development of new revenue sources, including acquisitions, and investments in marketing, technology, and product development.

INDIVIDUAL BANK

IN MILLIONS OF DOLLARS	1986	1985(1)	VAR.	%
Customer Net Revenue	**$5,638**	$4,180	$1,458	35
Expenses:				
Credit Cycle Expense	**1,476**	1,000	476	48
Delivery Expense	**3,392**	2,692	700	26
Total Expenses	**$4,868**	$3,692	$1,176	32
Other Income	**72**	98	(26)	(27)
Income Before Taxes	**842**	586	256	44
NET INCOME	**$ 462**	$ 327	$ 135	41
Average Assets ($ Billions)	**71**	56	15	27
Return on Assets (%)	**.65**	.59	.06	--
Return on Equity (%)	**16.2**	14.7	1.5	--

(1) Restated to reflect organizational changes

INSTITUTIONAL RELATIONSHIPS

Institutional Relationships' results include earnings from the delivery of both Institutional Banking and Investment Banking products to corporations, governments, and financial institutions worldwide. The table below summarizes Sector earnings:

INSTITUTIONAL RELATIONSHIPS

IN MILLIONS OF DOLLARS	1986	1985(1)	VAR.	%
Total Revenue	**$3,664**	$3,361	$303	9
Provision for Possible Credit Losses	**390**	389	1	--
Operating Expenses	**1,833**	1,733	100	6
Income Before Taxes	**1,441**	1,239	202	16
NET INCOME	**$ 800**	$ 690	$110	16
Average Assets ($ Billions)	**75**	74	1	1
Return on Assets (%)	**1.06**	0.93	0.13	--
Return on Equity (%)	**26.6**	23.2	3.4	--

(1) Restated to reflect organizational changes

Institutional Relationships' 1986 earnings were up strongly despite a continuing high level of credit write-offs. The higher write-offs reflected the persistent weaknesses of certain industries, both domestically and overseas. The Sector's strong performance was bolstered by a $46 million after tax benefit from the impact of the Tax Reform Act of 1986 on leveraged leases, which primarily reduced tax expense. Last year's earnings benefited from the $19 million reduction in New York State and City taxes related to leveraged leases.

Revenues from Institutional Relationships were derived from a broad range of financial products. The 9% increase in revenues reflected significant gains in fees and commissions and other revenues, with strong contributions from risk protection products and advisory activities, as well as gains from sales of aircraft lease residuals. Asset-related credit revenues were down 2% for the year

due to strong cash collections on cash basis loans in the previous year and repricing on certain country debt restructurings. Full-year operating expenses grew only 6% to support the revenue increases.

Earnings remained geographically diverse with approximately half attributable to North American operations. Earnings growth in North America and Asia/Pacific offset declines in Latin America and Europe, the Middle East, and Africa. The Financial Institutions Group, which operates within all the geographic regions, recorded a modest increase in earnings over last year.

Key performance indicators improved on a slightly higher average asset base, generating a 26.6% return on equity and a 1.06% return on assets.

Institutional Banking Products

IN MILLIONS OF DOLLARS	1986	1985(1)	VAR.	%
Total Revenue	**$2,635**	$2,549	$86	3
Operating Expenses	**1,513**	1,477	36	2
NET INCOME	**$ 443**	$ 400	$43	11

(1) Restated to reflect organizational changes.

Earnings from the delivery of Institutional Banking products to the institutional customer base were $443 million for the year, up 11% over 1985's results.

Revenues from Institutional Banking products were $2.6 billion, up 3% over those of a year ago. The increased revenues stemmed from fees and commissions and other revenues. However, strong cash collections on cash basis loans in the previous year and repricing on certain country debt restructurings resulted in lower asset-related credit revenues. Institutional Banking's results also reflect a $46 million benefit related to the impact of the Tax Reform Act of 1986 on leveraged leases. Operating expenses were up only 2% for the year despite the adverse impact of the weaker dollar on overseas operations and costs associated with the recent realignment of certain businesses. The realignment has resulted in a more streamlined expense base.

Citicorp continued to maintain an aggressive posture in the recognition of both public and private sector write-offs. Net commercial loan and lease write-offs were $398 million for 1986, up 5% for the year. The write-offs translated into .69% of the full-year average commercial loans, up from last year's level of .65%. The Institutional Relationships' provision for possible credit losses also reflected the impact of maintaining the credit allowance at .60% of loans.

On a geographic basis, increased earnings were recorded in both North America and Asia/Pacific on sharply higher fees and commissions and other revenue. Latin America's earnings declined due to stronger cash collections last year and the repricing impact of certain country debt restructurings. Europe, the Middle East and Africa posted lower earnings due to higher write-offs and realignment expenses.

Cash basis and renegotiated loans totalled $2,554 million at the end of 1986, up $306 million from last year. However, the ratio of cash basis and renegotiated loans to total loans was 2.0%, unchanged from the 1985 level. The year-to-year increase in non-performing loans was spread across North America, Europe, the Middle East, and Africa, while decreases occurred in Latin America and Asia.

Average assets in 1986 were $73 billion, up $1 billion from 1985.

Investment Banking Products

IN MILLIONS OF DOLLARS	1986	1985(1)	VAR.	%
Total Revenue	**$1,029**	$812	$217	27
Operating Expenses	**320**	256	64	25
NET INCOME	**$ 357**	$290	$ 67	23

(1) Restated to reflect organizational changes.

Earnings from the delivery of Investment Banking products to the institutional customer base were $357 million for the year, up 23% over 1985's earnings.

Revenues from Investment Banking products advanced 27% to $1.0 billion for the year. The revenue gains were fueled by sharply higher fees and commissions—particularly fees related to corporate restructurings, risk protection products, and debt/equity swaps arranged for customers—plus strong commercial foreign exchange activities and improved funding revenues. Operating expenses were up 25% for the year, reflecting costs required to support underlying strategic initiatives and to maintain the higher volumes. The earnings growth from Investment Banking products was spread geographically.

These results are also included in the discussion of Investment Banking, which immediately follows this section.

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1985[1]	VAR.	%
$812	$217	27
256	64	25
$290	$ 67	23

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INVESTMENT BANKING

Investment Banking at Citicorp encompasses securities activities, foreign exchange and money market trading, equity products, venture capital investment, merchant banking, investment management, insurance, trust, and custodial services.

Earnings were $429 million, a slight rise over 1985's. The impact of substantially higher equity product earnings through venture capital gains, strong foreign exchange income, gains from security investments and insurance, and increased fees and commissions was offset by lower securities trading revenues and higher expenses.

Revenues of $1.9 billion grew 21% over last year's, propelled by higher equity product earnings through venture capital gains, increased revenues from foreign exchange, revenues from recent acquisitions, advisory fees, and other commissions. Trading revenues—which remained an important contributor to overall earnings—declined in comparison with last year's reflecting difficult conditions in Europe and North America.

Operating expenses grew 43% for the year. The increase was largely due to costs associated with recent acquisitions ($77 million), the continued worldwide expansion of the Investment Bank franchise ($60 million)—including expenses related to the development of a global systems network to support this expansion—and the costs of sustaining the higher volumes. The adverse impact of a weaker dollar on overseas operations also contributed to the higher expenses. Average assets grew by 18% to $39 billion, while return on assets and return on equity continued to exceed corporate targets.

Trading and positioning in foreign exchange, money market and securities instruments and commercial foreign exchange accounted for approximately 83% of total Investment Bank earnings. Equity-related products, including venture capital, contributed 11%.

A major portion of Investment Bank earnings in 1986 came from products sold to Institutional Relationship customers. The products include foreign exchange and hedging products, financial advisory services, debt products, investment management, and portfolio services.

Geographically, North America contributed approximately half of total Investment Bank net income, the Asia/Pacific region 23%, with Europe, the Middle East and Africa, and Latin America accounting for the balance.

INVESTMENT BANK

IN MILLIONS OF DOLLARS	1986	1985[1]	VAR.	%
Total Revenue	**$1,865**	$1,545	$320	21
Operating Expenses	**1,151**	806	345	43
Income Before Taxes	**682**	740	(64)	(9)
NET INCOME	**$ 429**	$ 424	$ 5	1
Average Assets ($ Billions)	**39**	33	6	18
Return on Assets (%)	**1.10**	1.28	(.18)	–
Return on Equity (%)	**27.5**	32.1	(4.6)	–

(1) Restated to reflect organizational changes.

INFORMATION BUSINESS AND CORPORATE ITEMS

For 1986 the Information Business posted a loss of $34 million compared to a loss of $8 million in 1985.

INFORMATION BUSINESS

IN MILLIONS OF DOLLARS	1986	1985[1]	VAR.	%
Total Revenue	**$105**	$ –	$105	–
Operating Expenses	**161**	14	147	–
Income Before Taxes	**(56)**	(14)	(42)	–
NET LOSS	**$ (34)**	$ (8)	$ (26)	–

(1) Restated to reflect organizational changes.

The year-to-year increase primarily reflects the costs associated with the June 1986 acquisition of Quotron. The operations of Quotron, excluding acquisition costs, are profitable, having added $9 million to Citicorp's net income since acquisition. The costs of acquisition, including amortization of premium and the cost of carrying the investment, resulted in an earnings charge of $33 million. Continuing investment in other information-related businesses resulted in an earnings charge of $10 million in 1986, compared with $8 million in 1985.

CORPORATE ITEMS

IN MILLIONS OF DOLLARS	1986	1985[1]	VAR.	%
Total Revenue	**$ 35**	$ 38	$ (3)	(8)
Operating Expenses	**149**	108	41	38
Provision For Possible Credit Losses	**385**	209	176	84
Income Before Taxes	**(499)**	(279)	(220)	(79)
NET LOSS	**$(242)**	$(145)	$ (97)	(67)
Average Assets ($ Billions)	**1**	–	1	–

(1) Restated to reflect organizational changes.

Corporate items consist of the provision for possible credit losses reported at the corporate level, as well as unallocated corporate costs and other corporate items. The 1986 increase in corporate items primarily reflects the higher additions to the allowance for possible credit losses, which were $176 million higher than 1985.

SUMMARY OF FINANCIAL RESULTS

SELECTED FINANCIAL INFORMATION

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS, EXCEPT PER-SHARE AMOUNTS	1986 AMOUNT	1986 % CHANGE	1985 AMOUNT	1985 % CHANGE	1984 AMOUNT	1984 % CHANGE	1983 AMOUNT	1983 % CHANGE	1982 AMOUNT	1982 % CHANGE
Net Interest Revenue	$ 6,128	13	$5,446	26	$4,319	7	$4,043	15	$3,526	42
Fees, Commissions and Other Revenue	4,272	41	3,030	32	2,300	25	1,840	15	1,595	1
TOTAL REVENUE	$10,400	23	$8,476	28	$6,619	13	$5,883	15	$5,121	26
Provision for Possible Credit Losses	$ 1,825	47	$1,243	—	$ 619	19	$ 520	10	$ 473	55
Operating Expense	6,875	25	5,517	24	4,456	19	3,757	11	3,398	10
TOTAL EXPENSE	$ 8,700	29	$6,760	33	$5,075	19	$4,277	10	$3,871	19
Income Before Taxes	$ 1,700	(1)	$1,716	11	$1,544	(4)	$1,606	28	$1,250	54
Income Taxes	642	(11)	718	10	654	(12)	746	42	527	88
NET INCOME	$ 1,058	6	$ 998	12	$ 890	3	$ 860	19	$ 723	36
Per Share										
Net Income[1]										
On Common and Common Equivalent Shares	$ 7.14	—	$7.12	10	$6.45	—	$6.48	16	$5.60	33
Assuming Full Dilution	$ 7.13	—	$7.11	12	$6.36	3	$6.15	15	$5.33	33
Dividends Declared Per Common Share[2]	$1.645	(16)	$2.26	10	$2.06	10	$1.88	9	$1.72	10
TOTAL ASSETS	$196,124	13	$173,597	15	$150,586	12	$134,655	4	$129,997	9
DEBT[3]	$ 23,383	28	$ 18,255	24	$ 14,682	20	$ 12,221	16	$ 10,566	25

(1) On Net Income available for Common Stockholders after deducting Total Preferred Stock Dividends of $75 million in 1986, $63 million in 1985, $60 million in 1984, $37 million in 1983, and $4 million in 1982.

(2) Beginning with the second quarter of 1986, common dividends will be considered for declaration in July, October, January, and April, instead of June, September, December and March. As a result only three dividends were declared in 1986 as compared to four dividends each in 1985, 1984, 1983, and 1982.

(3) Includes Long-Term Debt, Subordinated Capital Notes, and Redeemable Preferred Stock.

NET INTEREST REVENUE TAXABLE EQUIVALENT BASIS

The continued rapid increase in consumer loan volumes was the primary force behind the 13% increase in net interest revenue during 1986. Despite a slight decrease in the net rate spread from 3.98% in 1985 to 3.95% in 1986, net interest revenue grew $738 million to total $6.3 billion for the year. The domestic net rate spread increased .25% to 4.73% largely driven by higher consumer outstandings. The lower overseas net rate spread reflects the strong cash collections on cash basis loans in the previous year, repricing on certain country debt restructurings, and lower yield on certain overseas trading securities. Higher consumer loan volumes and a 37 basis point increase in the interest rate spread were important factors in the 25% increase in 1985's net interest revenue. The 9% increase in net interest revenue in 1984 was generated by an increase in consumer loan volumes.

Average interest-earning asset volume of $160.5 billion in 1986 was 14% higher than last year, whereas the volume increases in 1985 and 1984 were 13% and 12%, respectively. The 1986 increase in loan volumes was led by a $9.0 billion increase in domestic consumer loans, principally in mortgage and credit card activities. Demand for shelter financing was strong in the low interest rate environment.

In 1986, international interest-earning asset volumes were also affected by the appreciation of several key currencies against the U.S. dollar.

NET RATE SPREAD TAXABLE EQUIVALENT BASIS

	1986	1985	1984
In Domestic Offices	**4.73**	4.48	3.79
In Overseas Offices	**3.07**	3.45	3.44
TOTAL	**3.95**	3.98	3.61

PROVISION AND ALLOWANCE FOR POSSIBLE CREDIT LOSSES

Citicorp has continued its policy of reflecting all known losses in current earnings. In 1986, the total provision for possible credit losses was $1,825 million and included $1,371 million of net credit losses while adding $454 million to the allowance. In 1985, the total provision for possible credit losses of $1,243 million covered $962 million of net credit losses while adding $281 million to the allowance, and in 1984 the comparable amounts were $619 million, $507 million, and $112 million, respectively. The allowance for possible credit losses totalled $1,698 million at the end of 1986, reflecting 1.50% of total loans and lease financing. In 1985, the amounts were $1,235 million and 1.06%, and in 1984, $917 million and 0.88%, respectively.

Net credit losses as a percentage of average consumer loans were 1.58%, up from 1.23% in 1985 and .78% in 1984. The higher level of net credit losses primarily reflects loan growth, particularly in credit card receivables, which have an historically higher credit loss experience during the early years of portfolio formation. Additionally, write-offs were higher in certain segments of the mobile home loan portfolio due to economic conditions in certain regions of the United States.

The 5% increase in net commercial credit losses in 1986 over the previous year reflected the continued weakness in certain industries, both domestically and overseas. Such industries included shipping and energy. In addition, write-offs related to foreign debt servicing problems continued in certain countries. The ratio of net credit losses as a percentage of average commercial loans was .72% in 1986 compared with .65% in 1985, and .38% in 1984. The ten-year average of this ratio is .37%. Higher recoveries were derived primarily from commercial and industrial loans. These strong recoveries are an indicator of Citicorp's conservative write-off policy and stringent processes to monitor and assess problem credit situations.

The following discussion and accompanying table reflect the provision for possible credit losses allocated on a management basis.

Citicorp charges its sectors with a credit loss provision that maintains an allowance at a level that provides a measurement of costs against revenue generation consistent with the manner in which Citicorp manages its businesses and makes incremental business decisions. In any time period, the total allowance required to present the total loan portfolio in accordance with generally accepted accounting principles may be more than that allocated to

the businesses. The additional amount along with its related provision is recorded at the corporate level.

PROVISION FOR POSSIBLE CREDIT LOSSES

IN MILLIONS OF DOLLARS	1986	1985	1984
Individual Bank:			
Gross Loan and Lease Losses	**$1,172**	$ 719	$386
Loan and Lease Recoveries	**214**	134	100
Net Write-offs	**$ 958**	$ 585	$286
Additions to Allowance	**59**	61	68
Total Individual Bank	**$1,017**	$ 646	$354
Institutional Bank:			
Gross Loan and Lease Losses	**$ 472**	$ 445	$277
Loan and Lease Recoveries	**74**	65	56
Net Write-offs	**$ 398**	$ 380	$221
(Reductions from) Additions to Allowance	**(8)**	9	(9)
Total Institutional Bank	**$ 390**	$ 389	$212
Corporate Addition to Allowance	**385**	209	53
Other Provision (Recoveries)	**33**	(1)	–
TOTAL PROVISION	**$1,825**	$1,243	$619

Allocating the corporate provision for possible credit losses in conformity with generally accepted accounting principles would have resulted in incremental pretax provisions in Individual Banking of $226 million for 1986, and incremental pretax provisions in Institutional Banking of $159 million for 1986. The resulting consumer allowance for possible credit losses as a percentage of consumer loans would have been 1.12% at year end versus .85% at December 31, 1985 and the commercial allowance for possible credit losses as a percentage of commercial loans would have been 1.56% versus 1.31% a year ago.

FEES, COMMISSIONS, AND OTHER REVENUE

Total fees, commissions, and other revenue of $4.3 billion in 1986 increased 41%, or $1,242 million, over 1985; the total in 1985 was up $730 million, or 32%, over 1984.

Fees and commissions increased $856 million, or 40%, to $3.0 billion in 1986 from $2.1 billion in 1985. Individual Banking contributed $286 million of this growth. Increases in U.S. Card Products were driven by continued strong consumer spending, while internationally, acquisitions and a favorable foreign exchange impact fueled this growth. Significant gains were recorded in products delivered by the Institutional and Investment Banks, with strong contributions from risk protection and advisory activities, corporate restructurings, and insurance. In addition, Quotron has contributed $127 million in fees and commissions since its acquisition in June 1986.

The $437 million rise in fees and commissions recorded in 1985 over 1984 was primarily attributable to improved credit card fees in the Individual Bank, increased letter-of-credit activity in Institutional Banking and fees from diversified activities in Investment Banking.

Trading revenues decreased in 1986 to $162 million from $210 million, 23% below 1985. Trading results, particularly securities trading, can fluctuate given market movements and the nature of positions taken. The decrease in 1986 revenues is primarily a result of difficult market conditions in both Europe and North America.

Global foreign exchange revenue, from both customer commercial transactions and interbank trading, continued to be diversified across many profit centers. Foreign exchange revenues of $412 million increased $54 million over 1985, primarily reflecting continued gains in Asia and Europe.

Investment securities transactions posted a strong net gain of $214 million in 1986, compared with net gains of $59 million in 1985 and $16 million in 1984. The increase in 1986 of $155 million reflects strong gains in North America and Europe.

Other revenue was $505 million in 1986 compared with $280 million in 1985 and $197 million in 1984. The strong improvement in 1986 reflects a $38 million gain on the sale of a building in Japan, gains on the sales of venture capital investments of $72 million, and gains on sales of mortgage pass-throughs, and other assets.

In 1985, other revenue was principally derived from gains realized on sales of mortgage portfolios and other assets, amounts received in a contract settlement and gains on sales of aircraft and railcar lease residuals. In 1984, other revenue included gains on the sales of venture capital investments of $49 million, a $12 million after-tax gain on the sale of an affiliate, a $14 million gain on the buyback of the corporation's convertible notes and gains on sales of real estate, mortgages, and other assets.

OTHER REVENUE

IN MILLIONS OF DOLLARS	1986	1985[1]	1984[1]
Affiliate Earnings	**$ 56**	$ 66	$ 78
Gains on Sale of Residual Value of Leased Equipment	**51**	43	14
Net Gains on Sale/Disposition of Assets	**62**	23	24
Net Gains on Sale of Mortgage Pass-Throughs	**178**	43	11
Venture Capital Gains	**72**	25	49
Other Items	**86**	78	21
TOTAL	**$505**	$280	$197

(1) Restated to conform to current year presentation.

OPERATING EXPENSE

Total operating expenses in 1986 was $6.9 billion, up $1.4 billion, or 25%, over the $5.5 billion posted in 1985; the 1985 level rose 24% over the $4.5 billion recorded in 1984.

The Individual Bank's activities expanded across all major business segments in 1986, including the completion of several acquisitions within the United States and the purchase of a life insurance company in the UK. In addition, the Individual Bank's operating expenses increased due to higher processing costs in support of expanded customer volumes. Expenses related to the Institutional Bank rose modestly from year-to-year reflecting the realignment of certain businesses during the year. The Investment Bank's expense increase was largely generated by costs associated with business and technological development, as well as expenditures related to newly acquired businesses. Expenses of the Information Business increased by $147 million, primarily due to the June 1986 acquisition of Quotron. The weaker dollar affected the reported expenses of overseas operations in all sectors.

Total staff expense was $3.2 billion in 1986, up 28% over 1985; 1985's staff expense marked a 21% increase over 1984's level. The 1986 increase reflects additional staff of approximately 7,200 people needed to support our growing businesses, plus normal compensation increments and higher benefit expenses.

Net premises and equipment expenses increased 29%, or $281 million, in 1986 to $1.2 billion. This expense increased 25% in 1985. The current year's increase was largely attributable to costs associated with business expansion, including recent acquisitions.

INCOME TAXES

Citicorp's effective tax rate was 37.7% in 1986, compared with 41.8% in 1985 and 42.4% in 1984. The decline in 1986's rate was largely attributable to the effect of the Tax Reform Act of 1986 on the tax rates applied to the leveraged lease portfolio, increased capital gains and higher tax-exempt income, partly offset by lower investment tax credits and higher state and local taxes.

The 1986 Federal income tax legislation includes several provisions that may affect Citicorp and its business. The Federal income tax rate reduction from 46% to 40% for 1987 and 34% for 1988 and subsequent years will reduce the current tax liabilities in years after 1986 from pre-1987 requirements. The changes in the tax treatment of bad debt losses and reserves are not expected to have a material effect on net income. Those changes consist of (1) the new requirement that bad debt losses after 1986 can only be deducted when charged off, and (2) the requirement that deductions previously claimed for additions to the reserve for bad debts must be restored to taxable income and currently taxed over the period 1987-1990. The newly expanded alternative minimum tax, which will include half of the excess of financial income over taxable income, is intended to apply only to the U.S. subsidiaries and affiliates of Citicorp, but that provision is presently scheduled to change after 1989. The impact, if any, of this provision cannot yet be ascertained because of the need for U.S. Treasury regulations to explain how it is to be applied.

Other new provisions will have some impact on Citicorp's businesses. The elimination of the investment tax credit will at least change the pricing of leases. The elimination of the deduction for interest expense attributable to newly acquired state and municipal tax-exempt securities will either reduce the attractiveness of that investment or cause banks in general to require higher interest rates. The most potentially significant new rules in the 1986 legislation are those dealing with the U.S. taxation of foreign income and new limitations on the use of foreign tax credits. Their impact cannot presently be assessed due to their complexity and the absence of operating rules and explanations. However, the application of transition rules should tend to diminish their impact to some extent over the next few years.

GEOGRAPHIC DISTRIBUTION OF REVENUE, EARNINGS, AND ASSETS

Citicorp attributes its net income to geographic regions based on the domicile of the customer. United States possessions are included in their respective geographic areas. In the accompanying table, the North American region ("Domestic Earnings") includes the United States and Canada. Refer to page 69 for further discussion of the principal adjustments and allocations that are made to present results on a geographic basis.

In 1986, domestic earnings were $568 million, up $105 million, or 23%, over a year ago. In 1985, earnings from domestic operations increased $96 million, or 26%, over 1984's level reflecting higher revenues from asset-related credit products, gains on the sales of lease residuals, foreign exchange trading, and fees and commissions.

In the domestic Individual Bank, strong growth in loans—particularly mortgages and credit cards—and improved spreads continued to contribute to significantly higher asset-related credit revenues. Individual Bank revenues were also buoyed by higher fees and commissions and solid gains on sales of mortgage pass-throughs and mortgage-backed securities. Domestic Institutional Bank revenues were higher, reflecting increased fees and commissions, partly offset by lower asset-related credit revenues and lower gains on sales of lease residuals. Investment Bank revenues were higher, driven by venture capital gains, insurance fees, and increased fees and commissions related to corporate restructurings and risk protection products; these increases were partly offset by lower domestic securities trading revenues.

Offsetting the strong domestic revenue gains were substantial increases in the domestic credit write-offs and operating expenses.

Consumer loan losses rose significantly during the year. The growth in loan losses was due largely to growth in credit card receivables, which have an historically higher loss experience in the early years of portfolio formation. Additionally, consumer write-offs were higher in segments of the mobile home portfolio due to economic conditions in certain regions of the United States. Domestic commercial write-offs were higher reflecting continued weaknesses in certain industries.

The increase in domestic operating expenses was largely dedicated to improved product delivery and continued technological development, as well as the increased expenses required to support substantially higher volumes, particularly in the Individual Bank.

Domestic Institutional Bank earnings reflect a $46 million after-tax benefit from the impact of the Tax Reform Act of 1986 on leveraged leases, primarily in income tax. In 1985, a change in New York State and City tax rates resulted in a reduction of deferred tax expense by $19 million.

The Information Business results for 1986 amounted to a $34 million charge to earnings, up from $8 million a year ago, primarily reflecting the costs associated with the June 1986 acquisition of Quotron.

Total domestic assets grew 18% in 1986 and 22% in 1985. The asset growth in both years was largely attributable to higher consumer loan volumes.

Net income from overseas operations declined $45 million to $490 million in 1986. This compares with a $12 million year-to-year increase in 1985. Robust international revenues from foreign exchange trading, fees and commissions, gains on investment securities, as well as other revenues were outweighed by lower revenues from securities trading and asset-related credit products. Operating expenses associated with overseas operations grew in comparison with last year reflecting the impact of certain newly acquired businesses, continued business development, and investment in improved product delivery. The higher expenses also reflected the impact of a weaker U.S. dollar on overseas operations.

Results from Asia/Pacific improved substantially, fueled by sharply higher fees and commissions, foreign exchange earnings, and other revenues, including the gain on sale of real estate. The strong revenues in Asia/Pacific were partially offset by the increase in expenses needed to sustain the higher volumes and support continued business expansion. Latin American earnings were up modestly with higher revenues from fees and commissions and asset-related credit products. However, the higher earnings in Asia/Pacific and Latin America were offset by reduced earnings in Europe/Middle East and Africa. The reduction is largely attributable to lower securities trading and asset-related credit revenues, as well as higher write-offs and an increase in expenses supporting business expansion, including acquisitions.

Total assets overseas increased 10% in 1986 primarily as a result of the decline in the U.S. dollar during the year. In 1984, growth in overseas assets was 4%.

The accompanying chart provides a breakdown of Citicorp's earnings using the economic classifications designated by the Organization for Economic Cooperation and Development (OECD). While Citicorp businesses are diversified across a broad range of countries and economies, the OECD countries, contributing 69% in 1986, represent the largest source of earnings for Citicorp. This contribution to net income has grown steadily since 1984. The OECD primarily consists of the industrialized nations of the world, including the United States which accounts for approximately 51% of Citicorp's earnings as compared with 45% last year. Earnings from countries designated Newly Industrialized Countries (NIC)—most prominently Brazil, Argentina, and Mexico—represent 27% of earnings, up slightly from last year's level. The Less-Developed Countries (LDC)/Other category was adversely affected by credit write-offs.

NET INCOME

IN MILLIONS OF DOLLARS	1986		1985		1984	
North America	**$ 568**	**54%**	$463	46%	$367	41%
Caribbean, Central and South America	**257**	**24**	246	25	177	20
Europe, Middle East and Africa	**99**	**9**	191	19	208	23
Asia/Pacific	**134**	**13**	99	10	138	16
TOTAL	**$1,058**	**100%**	$998	100%	$890	100%

NET INCOME OECD CLASSIFICATION

IN MILLIONS OF DOLLARS	1986		1985		1984	
Total OECD[1]	**$ 732**	**69%**	$646	65%	$540	61%
Total NIC[1]	**289**	**27**	244	24	226	25
Total LDC/Other[1]	**37**	**4**	108	11	124	14
TOTAL	**$1,058**	**100%**	$998	100%	$890	100%

(1) See accompanying Geographic discussion.

REPORTS

FINANCIAL REPORTING RESPONSIBILITY

The accompanying financial statements have been prepared by the management of Citicorp in conformity with generally accepted accounting principles appropriate in the circumstances. Where amounts must be based on estimates and judgments, they represent the best estimates and judgments of management. The financial information appearing throughout this annual report is consistent with that in the financial statements.

The financial control system of Citicorp is designed to provide reasonable assurance that the financial records are reliable for preparing financial statements and maintaining accountability for assets and that assets are safeguarded against loss from unauthorized use or disposition. The system in use at Citicorp provides such reasonable assurance, supported by the careful selection and training of staff, the establishment of organizational structures providing an appropriate and well-defined division of responsibilities, and the communication of policies and standards of business conduct throughout the institution.

The accounting policies and system of internal accounting controls are under the general oversight of the Citicorp and Citibank Boards of Directors, acting through the Audit and Examining Committees described on page 66. These committees are comprised entirely of directors who are not officers or employees of Citicorp. The Chief Auditor of Citicorp, who reports directly to the Board of Directors, conducts an extensive program of audits and risk asset reviews worldwide, carried out by a staff of resident inspectors and reviewers and traveling teams. In addition, Peat, Marwick, Mitchell & Co., independent certified public accountants, is engaged to examine our financial statements.

Peat, Marwick, Mitchell & Co. obtains and maintains an understanding of our accounting and financial controls and conducts such tests and other auditing procedures as they consider necessary in the circumstances to express the opinion in their report that follows. Peat, Marwick, Mitchell & Co. has free access to the Audit and Examining Committees, with no members of management present, to discuss their examination and their findings as to the integrity of Citicorp's financial reporting and the adequacy of the system of internal accounting controls.

REPORT OF INDEPENDENT AUDITORS

PEAT MARWICK **Peat, Marwick, Mitchell & Co.**
Certified Public Accountants

The Board of Directors and Stockholders of Citicorp:

We have examined the consolidated balance sheet of Citicorp and subsidiaries as of December 31, 1986 and 1985, the related consolidated statements of income, changes in stockholders' equity and changes in financial position for each of the years in the three-year period ended December 31, 1986, and the consolidated balance sheet of Citibank, N.A. and subsidiaries as of December 31, 1986 and 1985. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned consolidated financial statements present fairly the financial position of Citicorp and subsidiaries at December 31, 1986 and 1985, and the results of their operations and the changes in their financial position for each of the years in the three-year period ended December 31, 1986, and the financial position of Citibank, N.A. and subsidiaries at December 31, 1986 and 1985, in conformity with generally accepted accounting principles applied on a consistent basis.

Peat, Marwick, Mitchell & Co.

New York, New York
January 20, 1987

FINANCIAL STATEMENTS

CITICORP AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)	1986	1985	1984
Interest Revenue			
Interest and Fees on Loans and Lease Financing	$15,675	$15,528	$14,040
Interest on Deposits with Banks	1,072	1,150	1,273
Interest on Federal Funds Sold and Securities Purchased Under Resale Agreements	692	1,087	936
Interest and Dividends on Investment Securities (Note 1)	1,033	843	855
Interest on Trading Account Assets	752	866	781
	$19,224	$19,474	$18,194
Interest Expense			
Interest on Deposits	$ 8,101	$ 8,865	$ 8,631
Interest on Other Borrowed Money (Note 7)	2,028	3,356	3,562
Interest on Long-Term Debt and Subordinated Capital Notes (Notes 8 and 9)	2,077	1,807	1,682
	$13,096	$14,028	$13,875
NET INTEREST REVENUE	$ 6,128	$ 5,446	$ 4,319
Provision for Possible Credit Losses (Note 4)	$ 1,825	$ 1,243	$ 619
NET INTEREST REVENUE AFTER PROVISION FOR POSSIBLE CREDIT LOSSES	$ 4,303	$ 4,203	$ 3,700
Fees, Commissions, and Other Revenue			
Fees and Commissions	$ 2,979	$ 2,123	$ 1,686
Trading Account	162	210	143
Foreign Exchange	412	358	258
Investment Securities Transactions (Note 14)	214	59	16
Other Revenue	505	280	197
	$ 4,272	$ 3,030	$ 2,300
Other Operating Expense			
Salaries	$ 2,739	$ 2,116	$ 1,749
Staff Benefits (Note 13)	500	424	354
Total Staff Expense	$ 3,239	$ 2,540	$ 2,103
Net Premises Expense (Notes 5 and 18)	612	480	391
Equipment Expense (Notes 5 and 18)	630	481	376
Other Expense	2,394	2,016	1,586
	$ 6,875	$ 5,517	$ 4,456
Income Before Taxes	$ 1,700	$ 1,716	$ 1,544
Income Taxes (Note 14)	642	718	654
NET INCOME	$ 1,058	$ 998	$ 890
Earnings Per Share (Note 15)			
On Common and Common Equivalent Shares	$7.14	$7.12	$6.45
Assuming Full Dilution	$7.13	$7.11	$6.36

Accompanying notes are an integral part of the financial statements

CONSOLIDATED BALANCE SHEET

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	DECEMBER 31 1986	DECEMBER 31 1985
Assets		
Cash and Due from Banks	$ 5,101	$ 5,218
Deposits at Interest with Banks	15,692	12,603
Investment Securities (Market value $13,537 in 1986 and $9,892 in 1985) (Note 1)	12,660	9,647
Trading Account Assets	6,696	6,408
Federal Funds Sold and Securities Purchased Under Resale Agreements	5,686	6,343
Loans and Lease Financing, Net (Notes 2, 3 and 4)		
Commercial (Net of unearned discount of $407 in 1986 and $483 in 1985)	$ 50,430	$ 58,172
Consumer (Net of unearned discount of $4,154 in 1986 and $4,416 in 1985)	68,243	55,518
Lease Financing	3,222	2,809
Loans and Lease Financing, Net of Unearned Discount	$130,904	$116,499
Allowance for Possible Credit Losses	(1,698)	(1,235)
Total Loans and Lease Financing, Net	$129,206	$115,264
Customers' Acceptance Liability	4,769	6,396
Premises and Equipment, Net (Note 5)	3,177	2,544
Interest and Fees Receivable	2,887	2,653
Other Assets (Note 6)	7,748	6,431
TOTAL	$196,124	$173,507
Liabilities		
Non-Interest-Bearing Deposits in Domestic Offices	$ 12,666	$ 10,792
Interest-Bearing Deposits in Domestic Offices	41,796	39,344
Non-Interest-Bearing Deposits in Overseas Offices	3,791	3,424
Interest-Bearing Deposits in Overseas Offices	56,436	51,399
Total Deposits	$114,089	$104,959
Purchased Funds and Other Borrowings (Note 7)	33,731	20,616
Acceptances Outstanding	4,912	6,598
Accrued Taxes and Other Expenses (Note 14)	3,969	3,581
Other Liabilities	6,380	5,823
Long-Term Debt (Note 8)	20,695	16,316
Subordinated Capital Notes (Note 9)	2,648	1,890
Redeemable Preferred Stock (Note 10)	40	40
Stockholders' Equity		
Preferred Stock (Note 11)	$ 1,365	$ 1,215
Common Stock ($4.00 Par) (Note 12)	602	569
Issued Shares: 150,577,830 in 1986 and 142,265,429 in 1985		
Surplus	1,421	1,056
Retained Earnings	6,059	5,300
Common Stock in Treasury, at Cost	(387)	(375)
Shares: 12,982,986 in 1986 and 12,888,539 in 1985	$ 9,060	$ 7,765
Total Stockholders' Equity	$196,124	$173,507
TOTAL		

Accounting policies and explanatory notes on pages 57-73 form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY — CITICORP AND SUBSIDIARIES

In millions of dollars	1986	1985	1984
Preferred Stock (Note 11)			
Balance at Beginning of Year	$1,215	$ 640	$ 540
Issuance of Stock	150	575	100
BALANCE AT END OF YEAR	$1,365	$1,215	$ 640
Common Stock (Note 12)			
Balance at Beginning of Year	$ 569	$ 556	$ 549
Shares: 142,265,429 in 1986, 138,970,558 in 1985 and 137,152,815 in 1984			
Sale of Stock: Shares 5,000,000	20	—	—
Issuance of Stock under Savings Incentive, Stock Option and Stock Purchase Plans and Conversion of Convertible Notes (Notes 8 and 13)	13	13	7
Shares: 3,312,401 in 1986, 3,204,871 in 1985 and 1,817,743 in 1984			
BALANCE AT END OF YEAR	$ 602	$ 569	$ 556
Shares: 150,577,830 in 1986, 142,265,429 in 1985 and 138,970,558 in 1984			
Surplus			
Balance at Beginning of Year	$1,056	$ 958	$ 911
Preferred Stock Issuance Cost	(2)	(9)	(1)
Sale of Common Stock	265	—	—
Issuance of Stock under Savings Incentive, Stock Option, Stock Purchase, Executive Incentive Compensation and Restricted Stock Plans and Conversion of Convertible Notes (Notes 8 and 13)	108	107	48
Restricted Stock Plan Grants—net of amortization (Note 13)	(6)	—	—
BALANCE AT END OF YEAR	$1,421	$1,056	$ 958
Retained Earnings			
Balance at Beginning of Year	$5,300	$4,637	$4,129
Net Income	1,058	998	890
Cash Dividends Declared (including preferred dividends of $71 in 1986, $59 in 1985 and $56 in 1984, and redeemable preferred dividends of $4 in 1986, 1985, and 1984) (Note 12)	(325)	(353)	(319)
Foreign Currency Translation (Accumulated amount of ($73) at December 31, 1986)	26	18	(63)
BALANCE AT END OF YEAR	$6,059	$5,300	$4,637
Common Stock in Treasury, at Cost			
Balance at Beginning of Year	$ (375)	$ (365)	$ (358)
Shares: 12,888,539 in 1985, 12,702,161 in 1985 and 12,577,465 in 1984			
Treasury Stock Transactions, at Cost	(12)	(10)	(7)
Shares: 74,447 in 1986, 186,378 in 1985 and 124,696 in 1984			
BALANCE AT END OF YEAR	$ (387)	$ (375)	$ (365)
Shares: 12,962,986 in 1986, 12,888,539 in 1985 and 12,702,161 in 1984			
Total Stockholders' Equity			
Balance at Beginning of Year	$7,765	$6,426	$5,771
Changes during the Year, Net	1,295	1,339	655
BALANCE AT END OF YEAR	$9,060	$7,765	$6,426

Accounting policies and explanatory notes on pages 57-72 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	1986	1985	1984
Funds Provided			
Operations:			
Net Income	**$ 1,056**	$ 998	$ 890
Non-Cash Charges			
Depreciation and Amortization of Premises and Equipment	**450**	349	262
Provision for Possible Credit Losses	**1,625**	1,243	619
Funds Provided from Operations	**3,333**	2,590	1,771
Increase in			
Deposits	**9,730**	14,610	10,555
Purchased Funds and Other Borrowings	**7,115**	2,226	2,091
Long-Term Debt	**4,379**	3,323	812
Subordinated Capital Notes	**749**	250	1,649
Preferred Stock	**150**	575	100
Proceeds from Sale of Common Stock	**205**	—	—
Decrease in			
Federal Funds Sold and Securities Purchased Under Resale Agreements	**655**	—	—
Cash and Due from Banks and Deposits at Interest with Banks	**—**	—	1,149
Other, Net	**—**	546	—
TOTAL	**$26,396**	$24,122	$18,127
Funds Used			
Cash Dividends Declared	**$ 325**	$ 353	$ 319
Increase in			
Cash and Due from Banks and Deposits at Interest with Banks	**2,062**	3,626	—
Investment Securities and Trading Account Assets	**5,721**	4,388	2,043
Federal Funds Sold and Securities Purchased Under Resale Agreements	**—**	1,202	1,545
Loans and Lease Financing	**15,767**	13,800	13,043
Premises and Equipment	**1,063**	753	553
Other, Net	**538**	—	624
TOTAL	**$26,396**	$24,122	$18,127

Accounting policies and explanatory notes on pages 57-72 form an integral part of the financial statements

CONSOLIDATED BALANCE SHEET

CITIBANK, N.A. AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	DECEMBER 31 1986	DECEMBER 31 1985
Assets		
Cash and Due from Banks	$ 4,110	$ 4,595
Deposits at Interest with Banks	15,929	12,602
Investment Securities (Market value $10,938 in 1986 and $8,596 in 1985)	10,427	8,347
Trading Account Assets	4,645	2,725
Federal Funds Sold and Securities Purchased Under Resale Agreements	7,440	11,810
Loans and Lease Financing	$ 90,633	$ 77,833
Less: Allowance for Possible Credit Losses	(842)	(620)
Unearned Discount on Loans	(2,256)	(1,930)
Loans and Lease Financing, Net	$ 87,535	$ 75,373
Customers' Acceptance Liability	5,982	7,423
Premises and Equipment, Net	2,052	1,831
Interest and Fees Receivable	2,008	1,664
Other Assets	4,680	4,113
TOTAL	$144,808	$130,850
Liabilities		
Non-Interest-Bearing Deposits in Domestic Offices	$ 10,703	$ 9,079
Interest-Bearing Deposits in Domestic Offices	29,193	27,280
Non-Interest-Bearing Deposits in Overseas Offices	3,749	3,519
Interest-Bearing Deposits in Overseas Offices	56,203	51,639
Total Deposits	$ 99,908	$ 91,810
Purchased Funds and Other Borrowings	20,679	16,527
Acceptances Outstanding	6,126	7,671
Accrued Taxes and Other Expenses	2,812	2,605
Other Liabilities	4,056	3,506
Long-Term Debt	3,216	2,891
Stockholder's Equity (Note 19)		
Capital Stock ($2000 par)	$ 751	$ 751
Outstanding Shares: 37,534,553 in 1986 and 1985		
Surplus	2,015	1,493
Retained Earnings	5,243	4,793
Total Stockholder's Equity	$ 8,009	$ 7,037
TOTAL	$144,808	$130,850

Accounting policies and explanatory notes on pages 57-72 form an integral part of the financial statements.

UBSIDIARIES DECEMBER 31 1986
$ 4,586
12,602
8,347
2,725
11,812
$ 77,933
(626)
(1,930)
$ 75,377
7,473
1,831
1,984
4,113
$130,850
$ 9,379
27,280
3,512
51,639
$ 91,810
15,327
7,671
2,608
3,506
2,891
$ 751
1,493
4,793
$ 7,037
$130,850

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Citicorp, its wholly-owned subsidiary, Citibank, N.A., and their majority-owned subsidiaries, after the elimination of all material intercompany transactions.

Affiliates which are 20%- to 50%-owned are carried under the equity method of accounting and the pro rata share of their income (loss) is included in other revenue. Income from investments in less than 20%-owned companies is recognized when dividends are received.

Gains and losses on disposition of branches, subsidiaries, affiliates and other equity investments (including venture capital investments) and charges for management's estimate of permanent impairment in value are included in other revenue.

Foreign currency translation, which represents the effects of translating into U.S. dollars, at current exchange rates, financial statements of overseas operations with a primary or functional currency other than the U.S. dollar, is included in retained earnings in the accompanying consolidated balance sheet, along with related hedge and tax effects.

The effects of translating foreign currency financial statements of those overseas operations with the U.S. dollar as the primary or functional currency, including those operating in a highly inflationary environment, are included in foreign exchange revenue, along with related hedge effects. Foreign exchange trading positions, including spot and forward contracts, are valued monthly at prevailing market rates on a net present value basis, and the resulting gains and losses are included in foreign exchange revenue.

INVESTMENT SECURITIES AND TRADING ACCOUNT ACTIVITIES

Investment securities are carried at cost, adjusted for amortization of premiums to the earliest call date and accretion of discounts to maturity. Gains and losses on sales of investment securities are computed on a specific identified cost basis.

Trading account assets, consisting of securities and money market instruments, are presented net of obligations to deliver assets sold but not yet purchased and are valued at market. Gains and losses, both realized and unrealized, are included in trading account revenue. Interest on trading account assets, net, is included in interest revenue.

Financial futures and forward contracts, interest rate swaps, and options are valued at market, with both realized and unrealized gains and losses included in trading account revenue, except for those designated as hedges. Gains and losses related to financial futures and forward contracts, interest rate swaps, and options that are designated as hedges are deferred and reflected as an adjustment to interest revenue or expense.

It is Citicorp's policy not to make transfers between investment securities and the trading account. However, in 1986 certain securities were transferred (see note 1).

COMMERCIAL LOANS

Commercial loans are stated at their face amount, net of unearned discount.

When it is determined as a result of evaluation procedures that the payment of interest or principal on a commercial loan is doubtful of collection, the loan is placed on a cash (nonaccrual) basis. In any case where interest or principal is past due for 90 days or more, the loan is automatically placed on a cash basis irrespective of collateral or other favorable prospects. Any interest accrued on a loan placed on a cash basis is reversed and charged against current earnings. Interest on cash basis loans is thereafter included in earnings only to the extent actually received in cash. Cash basis loans are returned to an accrual status when such loans are current as to principal and interest payments and future payments are expected to be made on schedule.

CONSUMER LOANS

Consumer loans are stated at their face amount, net of unearned discount.

Consumer loans are written off upon reaching a predetermined number of days past due on a contractual basis. The number of days is set at an appropriate level by loan product and by country so as to result in the recognition of losses on a basis which makes the likelihood of subsequent recovery of those losses fall between 20% to 30%.

The policy for suspending accruals of interest on consumer loans varies depending on the terms, security, and loan loss experience characteristics of each product and in consideration of write-off criteria in place.

Interest on discount loans is accrued on a basis which results in an approximate level rate of return over the term of the loan. Interest accrued on nondiscount loans is based on the principal amount of loans outstanding.

8 7 8 7

LEASE FINANCING

Lease financing represents Citicorp's share of aggregate rentals on lease financing transactions and residual values net of related unearned income.

Lease financing transactions substantially represent direct financing leases and also include leveraged leases. Unearned income is amortized under a method which substantially results in an approximate level rate of return when related to the unrecovered lease investment.

Gains and losses from sales of residual values of leased equipment are included in other revenue.

ALLOWANCE FOR POSSIBLE CREDIT LOSSES

Additions to the allowance are made by means of the provision for possible credit losses charged to expense. Credit losses are deducted from the allowance, and subsequent recoveries are added. The level of net credit losses for the year is a significant factor in determining the appropriate level for the provision for possible credit losses. Based on management's judgment as to the appropriate level of the allowance for possible credit losses, the amount actually provided may be greater or less than the net credit losses for the year. The determination of the amount by which the provision should exceed or be less than net credit losses is based on management's current evaluation of the anticipated impact of domestic and international economic conditions, changes in the character and size of the portfolios and non-funds related financial products, including commitments, guarantees, swaps, options, futures and forward agreements, past and expected future loss experience, and other pertinent indicators. This evaluation includes an assessment of the ability of borrowers with foreign currency obligations to obtain the foreign exchange necessary for orderly debt servicing.

STAFF BENEFITS AND EARNINGS PER SHARE

In 1986, Citicorp adopted the new pension accounting rules contained in the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 87 (see note 13).

Staff benefits expense includes prior and current service costs of retirement plans, which are accrued on a current basis, contributions under the savings incentive plan, awards under the executive incentive plan, and costs of other staff benefits. No charges are reflected in earnings due to the granting or exercise of options under the stock option plans or the subscription for or purchase of stock under the stock purchase plans.

Common equivalent shares are included in the calculation of earnings per share representing shares issuable under the executive incentive compensation plan and the dilutive effect of options and subscriptions to purchase shares under the stock option and stock purchase plans. Options and subscriptions may be for either market value or book value stock. Market value stock is Citicorp common stock that is not restricted by Citicorp as to resale but can be sold by the staff member in the market. Book value stock is Citicorp common stock that is issued at a price equal to book value per share and can be resold only to Citicorp at the per share book value at the time of sale but which has the same voting, dividend, and liquidation rights as market value stock. For outstanding options and subscriptions involving only market value shares, common equivalent shares are computed using the treasury stock method.

Under the stock option and stock purchase plans, options are also granted in tandem, and subscription agreements are also entered into that give the staff member the alternative to purchase either market value or book value shares up to the end of the option or subscription period at exercise or purchase prices fixed at the date of grant or subscription.

If circumstances are such that purchase of market value shares clearly represents the economically preferable alternative to the staff member, the earnings per share calculation includes common equivalent shares representing the dilutive effect, computed by the treasury stock method, of the market value shares under option or subscription. If circumstances indicate that purchase of book value shares is the staff member's preferable alternative, the book value shares under option or subscription enter into the earnings per share calculation according to the two-class method. This method recognizes the fact that there are effectively two classes of stock participating in earnings: one, outstanding shares of stock which share in all earnings, and another, book value shares under option or subscription which share only in undistributed earnings.

After issuance, book value shares are included in the weighted average number of shares of common stock outstanding used to calculate earnings per share.

Upon issuance of shares under the savings incentive, stock option, and stock purchase plans, proceeds received in excess of par value are credited to surplus. Upon issuance of treasury shares under the executive incentive compensation plan, the excess of the amount of the awards over the average cost of treasury shares is credited to surplus.

INCOME TAXES

Provision for deferred taxes is made for items of revenue and expense reported in the financial statements in different years than for tax purposes, including an appropriate provision for taxes on undistributed income of subsidiaries and affiliates.

Investment tax credits on leased equipment are recognized over a period of time related to the recovery of the lease investment which gives rise to such credits. Other investment tax credits are recognized in the year the asset is placed in service. Investment tax credits were repealed under the Tax Reform Act of 1986 and hence have not been recorded for property placed in service after December 31, 1985 (except as permitted by the Act's transition rules).

NOTES TO FINANCIAL STATEMENTS

1. INVESTMENT SECURITIES

IN MILLIONS OF DOLLARS AT YEAR-END	1986 CARRYING VALUE	1986 MARKET VALUE	1985 CARRYING VALUE	1985 MARKET VALUE
U.S. Treasury and Federal Agencies	$ 3,228	$ 3,415	$2,818	$2,919
State and Municipal	1,955[1]	1,900[1]	826	799
Other	7,697[2]	8,142[2]	6,004	6,174
TOTAL	**$12,880**	**$13,537**	**$9,647**	**$9,892**

Interest and Dividends on Investment Securities

IN MILLIONS OF DOLLARS FOR THE YEAR	1986	1985	1984
U.S. Treasury and Federal Agencies	$ 236	$268	$290
State and Municipal (Substantially all exempt from federal income tax)	65	34	31
Other	732	541	334
TOTAL	**$1,033**	**$843**	**$655**

(1) Certain state and municipal securities were transferred at their market value of $599 million from trading to investment securities to reflect Citicorp's intention to hold these securities as long-term investments in consideration of certain provisions of the Tax Reform Act of 1986. Other than in this instance, no transfers are made between investment and trading portfolios.
(2) Other investment securities at December 31, 1986 include holdings in Treasury Bonds issued by the Government of Italy with an aggregate carrying value of $1,514 million and market value of $1,620 million.

2. COMMERCIAL LOANS

Commercial Loans Outstanding

IN MILLIONS OF DOLLARS AT YEAR-END	1986	1985
In Domestic Offices		
Commercial and Industrial[1]	$16,994	$13,514
Mortgage and Real Estate[2]	7,637	6,165
Loans to Financial Institutions[3]	1,299	1,353
	$25,930	$21,032
In Overseas Offices		
Commercial and Industrial[1]	$23,101	$25,683
Mortgage and Real Estate[2]	2,330	2,143
Loans to Financial Institutions	4,375	5,363
Governments and Official Institutions	4,170	4,434
	$33,976	$37,623
	$59,906	$58,655
Unearned Discount	(467)	(483)
COMMERCIAL LOANS, NET OF UNEARNED DISCOUNT	**$59,439**	**$58,172**

(1) Includes loans not otherwise separately categorized.
(2) Includes only loans secured primarily by real estate.
(3) Includes loans to governments and official institutions of $418 million and $434 million in 1986 and 1985, respectively.

Citicorp's cash basis and renegotiated commercial loans amounted to $2,554 million, $2,218 million, and $2,418 million at December 31, 1986, 1985, and 1984, respectively. Renegotiated loans are those commercial loans on which the rate of interest has been reduced as a result of the inability of the borrower to meet the original terms of the loan. Foregone revenue from cash basis and renegotiated commercial loans was as follows:

IN MILLIONS OF DOLLARS FOR THE YEAR	1986	1985	1984
Interest income that would have been accrued at original contractual rates[1]	$344	$397	$466
Amount recognized as interest income[2]	250	279	311
FOREGONE REVENUE	**$ 94**	**$118**	**$155**

(1) $73 million, $73 million and $62 million in domestic offices, $272 million, $324 million, and $404 million in overseas offices in 1986, 1985 and 1984, respectively.
(2) Represents interest collected on cash basis loans, and interest accrued at reduced rates on renegotiated loans: $38 million, $32 million, and $43 million in domestic offices, $212 million, $247 million, and $268 million in overseas offices in 1986, 1985, and 1984, respectively.

3. CONSUMER LOANS

The consumer loan category represents loans managed by Citicorp's Individual Banking business. This is generally defined as including loans to individual consumers throughout the world to meet their borrowing requirements for housing, automobiles, and other personal and family purposes. The consumer category also includes indirect types of consumer finance such as dealer floor plan lending.

Consumer Loans Outstanding

IN MILLIONS OF DOLLARS AT YEAR END	1986	1985
In Domestic Offices		
Mortgage and real estate[1]	$27,091	$21,710
Installment, revolving credit and other consumer loans	29,700	27,490
	$57,691	$49,200
In Overseas Offices		
Mortgage and real estate[1]	$ 5,017	$ 3,474
Installment, revolving credit and other consumer loans	9,689	7,253
	$14,706	$10,727
	$72,397	$59,936
Unearned discount	(4,154)	(4,418)
CONSUMER LOANS, NET OF UNEARNED DISCOUNT	$68,243	$55,518

(1) Includes only loans secured primarily by real estate.

4. CHANGES IN THE ALLOWANCE FOR POSSIBLE CREDIT LOSSES

IN MILLIONS OF DOLLARS	1986	1985	1984
Balance at Beginning of Year	$1,235	$ 917	$ 771
Deductions			
Commercial loan and lease losses	$ 489	$ 442	$ 277
Commercial loan and lease recoveries	(76)	(65)	(56)
Net commercial loan and lease losses	$ 413	$ 377	$ 221
Consumer loan and lease losses	$1,172	$ 719	$ 386
Consumer loan and lease recoveries	(214)	(134)	(100)
Net consumer loan and lease losses	$ 958	$ 585	$ 286
Additions			
Provision for possible credit losses	$1,825	$1,243	$ 619
Other (Principally from allowance balances of acquired companies and translation of overseas allowance balances)	9	37	34
BALANCE AT END OF YEAR	$1,698	$1,235	$ 917

5. PREMISES AND EQUIPMENT

Depreciation and amortization of premises and equipment was $450 million in 1986, $349 million in 1985, and $262 million in 1984. Generally, depreciation and amortization are computed on the straight-line basis over the estimated useful life of the asset or the lease term.

6. GOODWILL

Other assets include goodwill, which represents the excess of purchase price over the estimated value of net assets acquired accounted for under the purchase method of accounting. At December 31, 1986 and 1985, goodwill amounted to $977 million and $705 million, respectively. Goodwill is being amortized primarily using the straight-line method over the periods estimated to be benefited. The remaining period of amortization, on a weighted average basis, approximates 18 years.

7. PURCHASED FUNDS AND OTHER BORROWINGS

Purchased Funds and Other Borrowings, Original Maturities of Less Than One Year

IN MILLIONS OF DOLLARS	1986	1985	1984
Federal funds purchased and securities repurchase agreements (in domestic offices)[1]			
Amount outstanding at year end	**$13,365**	$ 7,421	$ 9,597
Average outstanding during the year	**$10,433**	$10,064	$ 9,329
Maximum outstanding at any month end	**$13,365**	$10,769	$10,520
Commercial paper[2]			
Amount outstanding at year end	**$ 9,291**	$ 7,172	$ 4,976
Average outstanding during the year	**$ 6,200**	$ 4,977	$ 4,970
Maximum outstanding at any month end	**$ 9,291**	$ 7,172	$ 6,883
Other funds borrowed[3]			
Amount outstanding at year end	**$11,075**	$12,023	$ 9,817
Average outstanding during the year	**$10,899**	$10,485	$ 9,497
Maximum outstanding at any month end	**$12,643**	$12,023	$ 9,998

(1) Weighted average interest rate was 7.09% during 1986, 8.50% during 1985, and 10.42% during 1984, 11.95% at year-end 1986 and 8.43% at year-end 1985.
(2) Weighted average interest rate was 6.80% during 1986, 8.34% during 1985, and 10.56% during 1984, 11.07% at year-end 1986, 8.29% at year-end 1985, and 10.03% at year-end 1984.
(3) Weighted average interest rate was 15.21% during 1986 and 19.55% during 1985.

9. LONG-TERM DEBT

Long-Term Debt, Original Maturities of One Year or More[1]

			1986	1985
IN MILLIONS OF DOLLARS AT YEAR-END	VARIOUS FIXED RATE DEBT OBLIGATIONS	VARIOUS FLOATING RATE DEBT OBLIGATIONS	TOTAL	TOTAL
Parent Company				
Due in 1986	$ —	$ —	$ —	$ 3,032
Due in 1987	433	1,274	1,707	417
Due in 1988	735	568	1,303	1,431
Due in 1989	1,390	1,053	2,443	1,326
Due in 1990	1,135	59	1,194	1,016
Due in 1991	1,180	290	1,470	713
Due in 1992–1996	2,865	345	3,210	1,847
Due in 1997–2001	1,166	1,162	2,328	584
Due in 2002 and thereafter	780	1,262	2,042	1,523
	$ 9,684	$ 6,013	$15,697	$11,209
Subsidiaries				
Due in 1986	$ —	$ —	$ —	$ 1,329
Due in 1987	647	382	1,029	585
Due in 1988	886	85	971	672
Due in 1989	349	302	651	396
Due in 1990	354	407	761	426
Due in 1991	126	76	202	462
Due in 1992–1996	317	964	1,281	1,097
Due in 1997–2001	19	35	54	38
Due in 2002 and thereafter	15	34	49	2
	$ 2,713	$ 2,285	$ 4,998	$ 5,025
TOTAL	$12,397	$ 8,298	$20,695	$16,318

(1) Maturity distribution is based upon contractual maturities or earlier dates at which debt is repayable at the option of the holder, due to required mandatory sinking fund payments or due to call notices issued

Fixed-rate long-term debt matures over the period to 2016. The interest rates on fixed-rate debt issues ranged from 3.00% to 24.1% at December 31, 1986 and 4.25% to 21.00% at December 31, 1985, representing rates on issues denominated in various currencies. The weighted average interest rates were 9.56% and 11.52% at December 31, 1986 and 1985, respectively.

Floating-rate long-term debt matures over the period to 2035. The interest rates are determined periodically by formulas based on certain money market rates or, in certain instances, by minimum interest rates as specified in the agreements governing the respective issues. The interest rates on floating-rate debt issues ranged from 3.00% to 25.60% at December 31, 1986 and 6.10% to 18.50% at December 31, 1985, representing rates on issues denominated in various currencies. The weighted average interest rates were 6.67% and 9.99% at December 31, 1986 and 1985, respectively.

At December 31, 1986 and 1985, $270 million and $739 million, respectively, of subsidiary long-term debt were not guaranteed by Citicorp. The weighted average interest rates on such long-term debt were 10.44% and 12.43% at December 31, 1986 and 1985, respectively. Substantially all long-term debt issued by subsidiaries not guaranteed by Citicorp is secured by the assets of the subsidiary.

At December 31, 1986 and 1985, outstanding 5¾% convertible subordinated notes due in 2000 were $5 million and $9 million, respectively. Noteholders converted $3 million of convertible notes into 77,270 shares of common stock in 1986 and $3 million of convertible notes into 69,527 shares of common stock in 1985. The notes are convertible at the option of the holder into Citicorp common stock at a conversion price of $41 per share, subject to adjustment in certain events.

Certain of the agreements under which long-term debt obligations were issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock and from creating encumbrances on such shares.

The prior year's disclosure of long-term debt has been reclassified to conform with the current financial statement presentation.

	1985
	TOTAL
	$ 3,032
	417
	1,431
	1,326
	1,015
	113
	1,847
	564
	1,523
	$11,288
	$ 1,329
	585
	672
	398
	425
	482
	1,097
	38
	2
	$ 5,028
	$16,316

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9. SUBORDINATED CAPITAL NOTES

IN MILLIONS OF DOLLARS AT YEAR-END	1986	1985
Floating rate subordinated capital notes with no stated maturity	$ 500	$ --
Floating rate subordinated capital notes due 1996	1,050	1,050
12½% subordinated capital notes due 1996	349	349
Floating rate subordinated capital notes due 1997	500	500
8¾% subordinated capital notes due 1998	249	--
TOTAL	$2,648	$1,899

The subordinated capital notes with no stated maturity are unsecured subordinated obligations of Citicorp. Subordinated capital notes with stated maturity dates are unsecured subordinated obligations of Citicorp subsidiaries and are unconditionally guaranteed on a subordinated basis by Citicorp. The interest rates on the floating rate issues are determined periodically by formulas based on certain money market rates, or in certain instances, by minimum interest rates as specified in the agreements governing the respective issues. Citicorp may defer payment of interest on the subordinated capital notes with no stated maturity if no dividends have been declared on any class of Citicorp stock in the preceding six months. During 1986, $500 million of subordinated capital notes with no stated maturity and $249 million of 8.75% subordinated capital notes due 1998 were issued. During 1985, $250 million of floating rate subordinated capital notes due 1996 were repurchased, the gain on which was not material, and an additional $500 million of floating rate subordinated capital notes due 1997 were issued. The interest rates on floating rate issues ranged from 6.188% to 7.090% at December 31, 1986 and 7.938% to 8.520% at December 31, 1985. The weighted average interest rates were 6.520% at December 31, 1986 and 8.208% at December 31, 1985.

At maturity of the subordinated capital notes, or in the case of the subordinated capital notes with no stated maturity at the election of the holders in each year commencing in 2016 or at the election of Citicorp in each year commencing in 1991, the notes will be exchanged for a security of Citicorp that qualifies as primary capital then having a market value equal to the principal amount of the notes, or under certain circumstances redeemed, in whole or in part, for cash. At the option of the issuer, the exchange may be for common stock, nonredeemable preferred stock or other marketable permanent primary capital securities of Citicorp.

Alternatively, the issuer will unconditionally undertake to sell capital securities on behalf of the holders who elect to receive cash for capital securities upon an exchange of the notes in an amount sufficient to pay the principal of such notes. Because the type of securities to be issued at maturity will be at the option of Citicorp or the Citicorp subsidiary that issued the notes and because the amount of securities to be issued will depend on their future market values, the amount and type of securities to be issued at maturity or redemption of the notes cannot be determined. If common stock is issued, some dilution of earnings per share may occur.

If Citicorp's consolidated retained earnings and surplus accounts become negative, the subordinated capital notes with no stated maturity must be exchanged for the marketable permanent primary capital securities of Citicorp, as discussed above.

The agreements under which the notes are issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock.

10. REDEEMABLE PREFERRED STOCK

At December 31, 1986 and 1985, 400,000 shares of non-voting redeemable preferred stock were issued and outstanding, subject to redemption at a price of $100 per share through a mandatory sinking fund. From 1990 through 2005, $1 million must be retired each year and from 2006 to 2013, $3 million must be retired each year. Dividends, which are cumulative, are payable semiannually. Beginning in 1985 the dividend rate is determined every three years until 2009 by a formula based on certain money market rates. The dividend rate established in 2009 will be applicable until 2013. Prior to November 1985, dividends were paid at a fixed annual rate. Dividends amounted to $10.45 per share in 1986, $10.91 per share in 1985 and $11.00 per share in 1984. Citicorp may be required to repurchase the preferred stock at $100 per share if loans are not extended to the preferred stockholder, under certain circumstances.

11. PREFERRED STOCK

In Millions of Dollars Except Shares	1986	1985
Adjustable Rate Preferred Stock		
Second Series, 3,900,000 shares	$ 390	$ 390
Third Series, 1,500,000 shares	150	150
Price Adjusted Rate Preferred Stock		
Fourth Series, 1,000,000 shares	100	100
Money Market Cumulative Preferred Stock		
Series 5A through 5G, 11,500 shares	575	575
Series 6A and 6B, 1,500 shares	150	–
TOTAL	$1,365	$1,215

Dividends on the Second, Third, and Fourth Series of preferred stock are cumulative and payable quarterly at rates determined quarterly by formulas based on interest rates of certain U.S. Treasury obligations. Dividends on the Second and Third Series of preferred stock are subject to certain minimum and maximum rates as specified in the agreements governing the respective instruments. The weighted-average dividend rates on the Second, Third, and Fourth Series were 6.029%, 7.133%, and 6.412%, respectively, for 1986.

Dividends on Money Market Cumulative Preferred Stock, Series 5A through 5G and Series 6A and 6B are cumulative. Rates are determined every 49 days by auction unless Citicorp fails to pay any dividend or redeem any shares for which it has given notice of redemption, in which case the dividend rate will be set at 150% of London Interbank Offered Rate (LIBOR). The current maximum dividend rate in any auction is 130% of the 60-day "AA" Composite Commercial Paper Rate. During 1986, the weighted-average dividend rates on Money Market Cumulative Preferred Stock Series 5A, 5B, 5C, 5D, 5E, 5F and 5G, which have different dividend reset dates were 4.970%, 4.871%, 5.022%, 4.981%, 4.848%, 4.819%, and 4.700%, respectively. The weighted-average dividend rates on Money Market Cumulative Preferred Stock Series 6A and 6B, which were issued at different dates during the year, were 4.481% and 4.502%, respectively.

Citicorp may, at its option, redeem the Second Series on or after February 28, 1988 at $103 per share through February 28, 1993 and at $100 per share thereafter; may, at its option, redeem the Third Series on or after September 1, 1988 at $103 per share until August 31, 1989 and at amounts declining thereafter to $100 per share beginning September 1, 1992; and may, at its option, redeem the Fourth Series at any time at $100 per share.

Citicorp may, at its option, redeem the Money Market Cumulative Preferred Stock Series 5A through 5G at $510,000 per share, plus accrued dividends, until various dates in 1987 and at amounts declining thereafter to $500,000 per share beginning on various dates in 1988. These shares are also redeemable at the option of Citicorp, in whole but not in part, at $500,000 per share, plus accrued dividends, in the event that the dividend rate should equal or exceed the 60-day "AA" Composite Commercial Paper Rate.

Citicorp may, at its option, redeem the Money Market Cumulative Preferred Stock Series 6A and 6B, in whole or in part, at $100,000 per share, plus accrued dividends on any dividend payment date.

All series rank prior to Common Stock as to dividends and liquidation and do not have general voting rights.

Authorized preferred stock (issuable as either redeemable or nonredeemable) was 20 million shares at December 31, 1986 and 1985. At December 31 1986 and 1985, 6,402,650 shares and 6,401,150 shares, respectively, of nonredeemable preferred stock were issued and outstanding and 100,000 shares of redeemable preferred stock were issued and outstanding.

12. COMMON STOCK

At December 31, 1986 and 1985, authorized common stock was 325 million shares. The outstanding shares at December 31, 1986 and 1985 include 3.2 million and 3.0 million book value shares, respectively, issued in connection with certain staff benefit plans. Under the terms of the plans the payment for book value shares sold back to Citicorp can be settled in cash or in market value shares at the option of Citicorp.

At December 31, 1986, shares were reserved for issuance as follows: on conversion of convertible notes, 0.1 million shares; under the savings incentive plan, 12.2 million book value shares; under the 1973 stock option plan, a maximum of 2.6 million shares if issued at market value and a maximum of 5.2 million shares if issued at book value; under the 1983 stock option plan, under which options may be granted in tandem, a maximum of 8.9 million shares if issued at market value and a maximum of 14.0 million shares if issued at book value; under the stock purchase plan, 4.0 million shares; under the restricted stock plan, 0.2 million shares; and under the executive incentive compensation plan, 1.2 million shares.

Beginning with the second quarter of 1986, common dividends will be considered for declaration in July, October, January, and April, instead of June, September, December, and March. As a result only three dividends were declared in 1986 as compared with four dividends each in 1985 and 1984.

13. STAFF BENEFITS

Retirement Plans. There are a number of noncontributory pension plans covering substantially all domestic staff members. The employees of foreign operations participate in various local plans.

With regard to all domestic plans, Citicorp elected to apply the provisions of Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions," effective January 1, 1986. As a result, the 1986 cost of the principal plan was reduced, resulting in pension income for the year of $44 million. Pension expense was $8 million in 1985 and 1984. Under the principal plan, retirement benefits are based on years of credited service, the highest average compensation (as defined) and the primary social security benefit. Citicorp's funding strategy has been to maintain plan assets sufficient to provide not only for benefits based on service to date, but also for those expected to be earned in the future.

As of January 1, 1986, the fair value of plan assets was $1.2 billion and the projected benefit obligation was $682 million (the accumulated benefit obligation was $493 million). The excess net asset at transition, equal to $479 million, is being amortized over 14 years. The following table presents the principal benefit plan's funded status and amounts recognized in Citicorp's consolidated financial statements at December 31, 1986.

(In millions of dollars)	
Funded Status	
Plan assets at fair value, primarily listed stocks, fixed income securities and commingled funds managed by Citibank, N.A.	$1,327
Actuarial present value of benefits for service rendered to date:	
Accumulated benefits based on salaries to date, including vested benefits of $612	719
Additional benefits based on estimated future salary levels	287
Projected benefit obligation	1,006
Plan assets in excess of projected benefit obligation	321
Unrecognized net actuarial loss	168
Unamortized transition net asset	(445)
PREPAID PENSION COST INCLUDED IN OTHER ASSETS	**$ 44**
Components of Net Pension Income	
Service cost – benefits earned during the period	$ (34)
Interest cost on projected benefit obligation	(68)
Expected return on plan assets (Actual return $172)	112
Amortization of transition net asset	34
NET 1986 PENSION INCOME	**$ 44**

The weighted-average discount rate and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation were 8.0% and 6.5%, respectively. The expected long-term rate of return on assets used in determining net pension income was 11%.

Savings Incentive Plan. Under the Savings Incentive Plan, eligible staff members receive awards equal to 3% of their covered salary. Staff members have the option of receiving their award in cash or deferring some or all of it in various investment funds. Citicorp

grants an additional award equal to the amount deferred by the employee. Several investment options are available including Citicorp market value shares, which the fund acquires in the open market, and book value shares issued by Citicorp. The expense associated with the plan amounted to $56 million in 1986, $48 million in 1985, and $44 million in 1984.

Stock Option Plans. During 1983, the shareholders of Citicorp approved a new stock option plan, which became effective March 31, 1983. No further options may be granted pursuant to previous stock option plans. Options previously granted under a stock option plan that became effective April 2, 1973 and was extended and amended effective April 1, 1977 do not fully expire until 1992. Under both the 1983 plan and 1973 plan, as extended and amended, options have been granted to key staff members for terms up to 10 years to purchase common stock at not less than the fair market value of the shares at the date of grant. In addition, the 1983 plan and 1973 plan, as extended and amended, provide for the granting in tandem of options to purchase market value shares of common stock at not less than the market value at the date of grant or a proportionate number of book value shares of common stock at not less than the book value per share at the date of grant. Such a proportionate number of book value shares is determined based on the ratio of market value to book value per share at the date of grant. Under the 1983 plan and 1973 plan, 50% of the options granted are exercisable beginning on the first anniversary and 50% beginning on the second anniversary of the date of grant.

In the captions "shares under option" and "options granted" in the accompanying table, options granted in tandem are included on the basis that represents the economically preferable alternative to the staff member.

At December 31, 1986, options to purchase 4,903,565 shares were exercisable. At that date, 2,702,379 shares, were available to grant options to purchase market value shares and 2,567,308 shares (a proportionate number based on the price ratio of book value shares to market value shares) were available to grant options to purchase book value shares. Additional shares may become available for options to purchase market value shares under the plan to the extent presently outstanding options under the 1983 plan terminate or expire unexercised. As the number of market value shares available for options to increases, or if the price ratio of market value shares to book value shares increases, the number of book value shares available for options will increase proportionately, subject to a maximum of 15 million shares.

Changes In Options And Shares Under Options

	Number of Shares	Option Price Per Share
Shares under option at		
December 31, 1986	8,183,094	$18 to $54
December 31, 1985	7,819,399	$18 to $50
Options granted		
1986	2,476,487	$51 to $54
1985	2,020,961	$41 to $50
1984	1,679,495	$31 to $39
Options exercised		
1986	1,802,261	$18 to $54
1985	1,517,798	$18 to $44
1984	526,824	$20 to $42

Stock Purchase Plan. The plan permits all eligible staff members (two years employment with Citicorp or its subsidiaries) to purchase shares within a specified period not to exceed 24 months under agreements entered into with all such staff members from time to time at the fair market value or book value per share at the dates of the agreements.

Agreements aggregating $117 million were entered into on June 30, 1986. Outstanding subscriptions, which aggregated $103 million at December 31, 1986, may be used for the purchase of market value shares at $59.250 per share, book value shares at $53.569 per share or a combination of both. In 1986, 107 market shares and 8,689 book value shares were purchased by staff members under the terms of the June 30, 1986 agreements. These agreements expire on March 31, 1988.

Under the agreements entered into on June 30, 1984 for the purchase of market value shares at $30.758 per share and book value shares at $43.788 per share, 1,115,829 market value and 29,810 book value shares were purchased in 1986, 1,006,109 market value and 899 book value shares were purchased in 1985, and 193,372 market value and 526 book value shares were purchased in 1984. These agreements expired on March 31, 1986.

Executive Incentive Compensation Plan. Under the Executive Incentive Compensation Plan, awards are made to key staff members, payable at the election of the participants, in cash or in market value or book value shares of Citicorp common stock in two installments for awards made in 1986, in three installments for awards made in 1985 and 1984 or on a deferred basis.

The aggregate amount of the awards was approximately $15 million in 1986, $14 million in 1985, and $11 million in 1984.

Restricted Stock Plan. During 1986, the shareholders of Citicorp approved the Restricted Stock Plan which grants awards of market value shares to key executives contingent upon their continued employment over a restriction period not to exceed ten years. The value of shares at the date of grant is amortized to expense over the restriction period. In 1986, 112,000 shares at an aggregate market value of approximately $7 million were granted. The expense recognized for the plan in 1986 amounted to $0.4 million.

14. INCOME TAXES

IN MILLIONS OF DOLLARS FOR THE YEAR	1986	1985	1984
Domestic			
Current			
Federal*	$ 22	$ 30	$ 28
State and local	90	52	35
	$ 112	$ 82	$ 63
Deferred			
Federal	$ (87)	$ 56	$ 45
State and local	(17)	(19)	6
	$(104)	$ 37	$ 51
Total domestic	$ 8	$119	$114
Foreign (substantially current)	634	599	540
TOTAL PROVISION	$ 642	$718	$654

As a result of the lower future Federal tax rates included in the Tax Reform Act of 1986, Citicorp adjusted the deferred tax balances related to its investment in leveraged leases reducing federal income tax expense in 1986 by $55 million. In 1985, a change in New York state and city tax rates resulted in a similar reduction of income tax expense by $19 million.

Within the total provision, the tax effect of investment securities transactions amounted to a provision of $60 million in 1986, $23 million in 1985, and $7 million in 1984.

Although not affecting the total provision, current income tax payments may differ from the amounts shown as current as a result of the final determination as to the timing of certain deductions and credits.

As a U.S. corporation, all of Citicorp's foreign pre-tax earnings are subject to domestic taxation currently if earned by a foreign branch, or when earnings are effectively repatriated if earned by a foreign subsidiary or affiliate. For 1986, foreign pre-tax earnings represented 60% of consolidated pre-tax income (approximately 67% in 1985 and 70% in 1984). In addition, certain of Citicorp's domestic income is subject to foreign income tax where the payor of such income is domiciled overseas.

Deferred taxes result from timing differences in the recognition of revenue and expense for tax and financial accounting purposes.

Components Of Deferred Taxes

IN MILLIONS OF DOLLARS FOR THE YEAR	1986	1985	1984
Lease financing transactions	$ 70	$ 78	$ 86
Effect of changes in tax rates on leveraged lease portfolio	(55)	(19)	—
Credit loss deduction	(154)	(62)	(9)
Interest income	(56)	(25)	(6)
Domestic taxes on overseas income	89	46	(67)
Other	2	19	47
TOTAL	$(104)	$ 37	$ 51

Analysis Of Effective Rate

FOR THE YEAR	1986	1985	1984
U.S. Federal income tax rate	46.0%	46.0%	46.0%
Changes from statutory rate resulting from:			
Tax-exempt interest income	(5.3%)	(4.7%)	(5.2%)
Income subject to tax at capital gains rates	(1.5%)	(.4%)	(.6%)
State and local income taxes, net of U.S. Federal income tax benefit	2.3%	1.0%	1.5%
Taxes on income of overseas subsidiaries	(.4%)	(.4%)	.8%
Income from 20%- to 50%-owned affiliates included on an after-tax basis	(.9%)	(1.2%)	(1.6%)
Effect of changes in tax rates on leveraged lease portfolio	(2.9%)	(1.1%)	—
Other	.4%	2.6%	1.5%
TOTAL*	37.7%	41.8%	42.4%

*U.S. Federal income taxes in these analyses do not include amounts which, in the opinion of management, represent a *de facto* additional Federal tax burden that is paid currently. Banks effectively incur this tax in the form of earnings remitted to the U.S. Treasury by the Federal Reserve, representing the Fed's investment earnings on the non-interest bearing reserves that banks are required to maintain with Federal Reserve Banks. For Citicorp, it is estimated that this *de facto* additional tax approximated $78 million, $68 million, and $59 million for the years 1986, 1985, and 1984, respectively, based on average reserve deposits of $1,024 million, $823 million, and $738 million in 1986, 1985, and 1984, respectively. The total effective tax rate for such years, adjusted for these amounts and including an equivalent adjustment to increase income before income tax, would be 40.5%, 44.1%, and 44.5%, respectively. The *de facto* additional tax is calculated based on Citicorp's bank subsidiaries' average reserve deposits as a percentage of average total Federal Reserve assets, applied to the earnings remitted to the U.S. Treasury by the Federal Reserve. While no single method can precisely quantify this additional Federal tax burden, Citicorp believes the foregoing method is an appropriate estimate of such tax burden.

Not included above is the effect of investments in tax-exempt state and municipal securities, assets that yield lower rates of interest than would be the case if the income was taxable.

16. EARNINGS PER SHARE

The accompanying table shows the calculation of earnings per share on common and common equivalent shares for net income after deduction of dividends on redeemable preferred stock and preferred stock. Shares issuable under stock option grants and stock purchase plan subscriptions which give staff members the alternative to purchase either market value or book value shares are either included as common equivalent shares or enter into the earnings per share calculation according to the two-class method based upon the economically preferable alternative to staff members, as further described in the Statement of Accounting Policies.

Calculation of Earnings Per Share

IN MILLIONS, EXCEPT PER SHARE AMOUNTS	1986	1985	1984
Net Income Available for Common Stockholders			
a. Distributed portion (dividends)	**$250**	$290	$259
b. Undistributed portion	**733**	645	571
TOTAL	**$983**	$935	$830
Shares			
Weighted average common shares outstanding—Market value	**131.2**	125.4	123.4
Weighted average common shares outstanding—Book value	**3.1**	2.5	2.0
Common stock equivalents[1]	**1.8**	1.8	1.1
c. Shares applicable to distributed portion	**136.1**	129.7	126.5
Book value shares issuable under stock option and stock purchase plans	**2.4**	2.6	3.2
d. Shares applicable to undistributed portion	**138.5**	132.3	129.7
Earnings Per Share			
a÷c Distributed portion	**$1.84**	$2.24	$2.05
b÷d Undistributed portion	**5.30**	4.88	4.40
TOTAL	**$7.14**	$7.12	$6.45

(1) Common stock equivalents represent shares issuable under the executive incentive compensation plan and the dilutive effect of market value shares issuable under stock option and stock purchase plans computed using the treasury stock method.

The fully diluted calculation assumes conversion of all outstanding convertible notes and the maximum dilutive effect of common stock equivalents. The number of shares issuable on conversion of the notes (0.2 million in 1986 and 1985, and 2.4 million in 1984) and the additional common stock equivalents (0.1 million in 1986 and 1985, and 0.2 million in 1984) are added to the number of shares included in the calculation (resulting in a total of 138.8 million shares in 1986, 132.6 million shares in 1985, and 132.3 million shares in 1984), and the related after-tax interest expense ($0.2 million in 1986, $0.3 million in 1985, and $3.7 million in 1984) is eliminated.

16. GEOGRAPHIC DISTRIBUTION OF REVENUE, EARNINGS, AND ASSETS

Citicorp attributes total revenue, income before taxes, net income and average total assets to operations based on the domicile of the customer. U.S. possessions are included in their respective geographic areas.

Because of the integration of global activities, it is not practicable to make a precise separation, and various assumptions must be made in arriving at allocations and adjustments to be used in presenting this data.

The principal allocations and adjustments are: (1) charges for all funds employed that are not generated locally are calculated on the amount and nature of the assets and based on a marginal cost of funds concept; Citicorp stockholders' equity is treated as generated and earned based on each area's percentage of total assets; (2) allocation of expenses incurred by one area on behalf of another, including administrative costs, based on methods intended to reflect services provided; (3) allocation of tax expenses; (4) allocation of the difference between actual net credit losses and the provision for possible credit losses; and (5) allocation of corporate staff costs (other than those charged to the core businesses) and other corporate items including certain start-up activities.

The Securities and Exchange Commission requires that an allowance for possible credit losses applicable to loans related to foreign activities be disclosed in a note to the financial statements. Citicorp makes no such allocation, and no portion of the allowance for possible credit losses is restricted to any individual loans or groups of loans. For the purpose of meeting the requirement under generally accepted accounting principles to calculate earnings and assets attributable to foreign operations, $630 million of the allowance at December 31, 1986, $486 million at December 31, 1985 and $350 million at December 31, 1984 is allocated to foreign operations. In the judgment of management, such allocation is not meaningful, since the entire amount of the allowance is available to absorb losses with respect to both domestic and foreign loans.

Geographic Distribution of Revenue, Earnings, and Assets

IN MILLIONS OF DOLLARS	TOTAL REVENUE[1]			INCOME BEFORE TAXES			NET INCOME			AVERAGE TOTAL ASSETS		
	1986	1985	1984	**1986**	1985	1984	**1986**	1985	1984	**1986**	1985	1984
North America[2]	**$ 6,368**	$4,938	$3,653	**$ 823[4]**	$ 762[4]	$ 590[4]	**$ 568**	$463	$367	**$101,432**	$ 85,653	$ 70,407
Caribbean, Central and South America[3]	**1,191**	1,183	919	**431**	403	277	**257**	245	177	**19,016**	19,094	18,785
Europe, Middle East and Africa	**1,678**	1,567	1,330	**190**	364	391	**99**	191	208	**40,678**	33,899	31,197
Asia/Pacific	**963**	788	717	**256**	187	286	**134**	99	138	**22,887**	21,859	22,242
TOTAL	**$10,400**	$8,476	$6,619	**$1,700**	$1,716	$1,544	**$1,058**	$998	$890	**$184,013**	$160,505	$142,631

(1) Includes Net Interest Revenue and Fees, Commissions and Other Revenue.

(2) Includes amounts attributed to United States operations (in 1986, 1985 and 1984, respectively) as follows: total revenue, $6,248 million, $4,843 million and $3,550 million; income before taxes, $764 million, $728 million and $547 million; net income, $536 million, $453 million and $347 million; and average total assets, $97,896 million, $82,246 million and $67,234 million.

(3) Includes amounts attributed to Brazil operations (in 1986, 1985 and 1984, respectively) as follows: total revenue, $444 million, $375 million and $370 million; income before taxes, $305 million, $202 million and $243 million; net income, $174 million, $120 million and $140 million; and average total assets denominated in cruzados and other currencies, $6,759 million, $6,175 million and $6,271 million.

(4) In North America, income before taxes includes approximately $173 million in 1986, $112 million in 1985 and $76 million in 1984 of tax exempt income, reducing the federal income tax provision attributed to the United States.

17. NON-FUNDS RELATED FINANCIAL PRODUCTS

Citicorp offers various financial products to its customers to meet their needs for liquidity, credit enhancement, foreign exchange, and interest rate protection. Many of these products were developed in response to the growing sophistication of the financial markets and customers' needs for flexible ways to manage funding costs and foreign exchange exposure. In addition, the offering of these products may serve to reduce rather than increase Citicorp's own exposure to movements in interest and foreign exchange rates.

All products offered by Citicorp are subject to its normal stringent credit standards, financial controls, and risk limiting and monitoring procedures. Many of these products do not entail present or future funded asset or liability positions but are instead in the nature of commitments, guarantees, or executory contracts.

Following are discussions of certain significant products with indications of gross volumes.

Loan Commitments. At December 31, 1986, Citicorp and its subsidiaries had outstanding unused commitments of $36.8 billion to make or purchase loans, to purchase third party receivables, to provide note issuance facilities or revolving underwriting facilities, or to extend credit in the form of lease financing. Substantially all of these commitments are contingent upon customers' maintaining specific credit standards. In addition, Citicorp and its subsidiaries are obligated under various recourse provisions related to sales of loans or sales of participations in

pools of loans. At December 31, 1986, the maximum obligation under all recourse provisions was $3.4 billion, of which approximately 87% related to sales of residential mortgages. Estimated losses pursuant to these obligations are not expected to be material.

Standby Letters of Credit. Standby letters of credit are used in various transactions to enhance the credit standing of Citibank customers. Standby letters of credit are irrevocable assurances that Citibank will make payment in the event that a Citibank customer cannot perform its obligations to third parties.

Citibank issues standby letters of credit on behalf of its customers for four primary purposes: to ensure contract performance and irrevocably assure payment by the customer under supply, service, and maintenance contracts or construction projects; to provide a payment mechanism for a customer's third party obligations or act as a substitute for an escrow account; to assure payment by a foreign reinsurer to a domestic insurer; and to assure payment of specified financial obligations of a customer. Fees are recognized ratably over the term of the standby letter of credit. Losses have not been material.

Standby Letters Of Credit

IN MILLIONS OF DOLLARS, AT DECEMBER 31, 1986

TYPE	AMOUNT OUTSTANDING	DUE WITHIN 1 YEAR	AFTER BUT WITHIN 5 YEARS	AFTER 5 YEARS	PERCENTAGE COLLATERALIZED
Bid Guarantee, Performance	$ 5,354	$ 2,808	$1,567	$ 979	13.2%
Clean Payment	3,217	2,236	763	218	46.8%
Options, Purchased Securities, Escrow	295	178	87	30	18.6%
Insurance, Surety	4,156	3,173	469	514	26.5%
Backstop State, County and Municipal Securities	3,622	174	156	3,292	34.0%
All Other Debt Related	5,728	1,716	3,155	857	40.5%
TOTAL	$22,372	$10,285	$6,197	$5,890	30.5%

Municipal Bond Insurance. AMBAC Indemnity Corporation, a majority-owned subsidiary of Citibank, provides default insurance on bonds issued by U.S. municipalities. Under municipal bond insurance policies, if a bond issuer defaults on an insured issue, the insurer promises to pay the principal and interest in accordance with the original payment schedule. Acceleration of payment under the insurance policy by the insured is not permitted.

AMBAC's insurance underwriting procedures include a rigorous credit review along with an ongoing risk monitoring process. AMBAC limits its exposure to losses by underwriting only investment grade municipal bonds, by diversifying its risk geographically by type of bond and by single issue limitations, and by obtaining reinsurance. Premiums are recognized over the term of the insurance policy. Reserves for losses are provided for when default by the bond issuer is reasonably anticipated; such losses have not been material. At December 31, 1986, the principal amount of municipal bond insurance in force retained by AMBAC was $30.8 billion. The municipal bonds insured have a weighted average life of 16.9 years.

Interest Rate and Foreign Exchange Products. Citicorp offers interest rate and foreign exchange futures, forwards, options, and swaps which enable customers to transfer, modify or reduce their interest rate and foreign exchange risks. Futures and forward contracts are commitments to buy or sell at a future date a financial instrument or currency at a contracted price and may be settled in cash or through delivery. Swap contracts are commitments to settle in cash at a future date or dates based on differentials between specified financial indices as applied to a notional principal amount. Option contracts give the buyer, for a fee, the right but not the obligation to buy or sell within a limited time a financial instrument or currency at a contracted price and may also settle in cash based on differentials between specified indices.

In most cases, Citicorp manages the exposures related to these products as part of its overall interest rate and foreign exchange trading activities, which include both funded asset and liability positions and non-funded positions. For example, Citicorp may hold a security in its trading portfolio and at the same time have futures contracts to sell that security. The losses on one position may substantially offset gains on the other position. These products are also utilized by Citicorp to reduce exposures outside the trading portfolios, as hedges of interest rate gaps and foreign exchange positions.

The market and credit risks inherent in traditional banking services are also present in these specialized financial products, as are the various operating risks that exist in all financial activities. Notional principal amounts are often used to express the volume of these transactions but do not represent the much smaller amounts potentially subject to risk.

Market risk is the exposure created by fluctuations in interest and foreign exchange rates, and is a function of the type of product, the volume of the transaction, the tenor and terms of the agreement, and the volatility of the underlying interest rate or exchange rate. Market risk is affected by the mix of the aggregate portfolio and the extent to which positions have offsetting exposures. The market risk of an interest rate swap, for example, will be reduced by the

presence of securities, financial futures, or other interest rate swap positions with offsetting exposures. Citicorp manages its trading activities in these specialized financial products on a market value basis that recognizes in earnings the gains or losses resulting from changes in market interest or exchange rates. Trading limits and monitoring procedures are used to control the overall exposure to market risk.

A variety of monitoring procedures are used to control the overall exposure to market risk. These monitoring procedures include risk points, a system that measures the exposure to movements in market interest rates; cost to close, a concept that determines the cost of covering an open position; and earnings at risk, which estimates the earnings impact of changes in market interest rates based on historical interest rate volatility. Citicorp believes that presentation of the amounts estimated to be at risk under these monitoring procedures would not be meaningful because of the many assumptions used in deriving these amounts.

Credit risk is the exposure to loss in the event of non-performance by the other party to a transaction, and is a function of the ability of the counterparty to honor its obligations to Citicorp. For those specialized financial products the amounts due from or due to the counterparty will change as a result of movements in market rates, and the amount subject to credit risk is limited to this fluctuating amount. Citicorp controls credit risk through credit approvals, limits and monitoring procedures, and the recognition in earnings of unrealized gains on these transactions is dependent on management's assessment as to collectibility.

Citicorp has significant presence in the markets for these interest rate and foreign exchange products. At December 31, 1986, the notional principal amount of Citicorp's outstanding interest rate swaps was $63.4 billion; commitments to purchase and sell money market instruments or securities and commitments to settle against financial indices under interest rate futures, forward, and option contracts were $78.9 billion; and commitments to purchase and sell currencies under foreign currency spot, forward and option transactions were $216.3 billion. These amounts are gross volume indicators only, and do not reflect the extent to which positions may offset one another. As discussed above, the amounts potentially subject to market and credit risk are substantially smaller than the gross volumes indicated here.

18. COMMITMENTS AND CONTINGENT LIABILITIES

Citicorp and its subsidiaries are obligated under a number of noncancelable operating leases for premises and equipment, most of which have renewal or purchase options. Minimum rental commitments on noncancelable operating leases, net of sublease income, are $229 million in 1987, $199 million in 1988, $178 million in 1989, $160 million in 1990, $145 million in 1991, and $479 million thereafter, totalling $1,390 million. Rental expense was $351 million in 1986 net of $57 million sublease rental income, $256 million in 1985 net of $55 million sublease rental income, and $209 million in 1984 net of $53 million sublease rental income.

At December 31, 1986, certain investment securities, trading account assets, and other assets with a carrying value of $13,704 million were pledged as collateral for borrowings, to secure public and trust deposits and for other purposes.

Various legal proceedings are pending against Citicorp and its subsidiaries. Management of Citicorp considers that the aggregate liability, if any, resulting from these proceedings will not be material.

19. STOCKHOLDER'S EQUITY OF CITIBANK, N.A.

Authorized capital stock of Citibank was 40 million shares at December 31, 1986, 1985, and 1984.

Changes in Stockholder's Equity

IN MILLIONS OF DOLLARS	1986	1985	1984
Balance at Beginning of Year	**$7,037**	$6,318	$5,924
Additions			
Net income	**$ 803**	$ 807	$ 777
Contribution from Parent Company	**508**	405	—
Other additions, net	**14**	10	—
	$1,325	$1,222	$ 777
Deductions			
Dividends declared	**$ 325**	$ 360	$ 292
Foreign currency translation	**18**	29	42
Write-off of intangibles associated with acquisition of subsidiaries and affiliates	**10**	114	30
Other deductions, net	**—**	—	19
	$ 353	$ 503	$ 383
BALANCE AT END OF YEAR	**$8,009**	$7,037	$6,318

Citibank charges retained earnings with the amount of goodwill associated with investments by Citibank in subsidiaries and affiliates to the extent required to carry the investments at a value not in excess of underlying book value. In accordance with generally accepted accounting principles, such charges are not reflected in the Citicorp financial statements, and the related amounts, net of amortization, aggregating $316 million, $256 million, and $109 million at December 31, 1986, 1985, and 1984, respectively, are included in other assets in the Citicorp consolidated balance sheet. Citicorp's equity investment in Citibank amounted to $8,325 million, $7,293 million, and $6,427 million at December 31, 1986, 1985 and 1984, respectively.

20. CITICORP (PARENT COMPANY ONLY)

Condensed Balance Sheet

IN MILLIONS OF DOLLARS	DECEMBER 31 1986	DECEMBER 31 1985
Assets		
Deposits with Subsidiary Banks, principally interest-bearing	$ 3,937	$ 4,073
Investment Securities at Cost (Market value $399 in 1986 and $111 in 1985)	421	117
Investments in and Advances to Subsidiaries Other Than Banks	24,948	17,599
Investments in and Advances to Citibank, N.A. and Other Subsidiary Banks	12,507	10,851
Other Assets	451	253
TOTAL	$42,264	$32,893
Liabilities and Stockholders' Equity		
Purchased Funds and Other Borrowings	$13,569	$11,463
Advances from Subsidiaries	2,339	998
Other Liabilities	1,059	1,339
Long-Term Debt, Subordinated Capital Notes, and Redeemable Preferred Stock (Notes 8, 9, and 10)	16,237	11,328
Stockholders' Equity	9,060	7,765
TOTAL	$42,264	$32,893

Condensed Statement of Income

IN MILLIONS OF DOLLARS	1986	1985	1984
Revenue			
Dividends from Subsidiary Banks	$ 625	$ 360	$ 292
Dividends from Subsidiaries Other Than Banks	300	—	—
Interest from Subsidiaries	1,509	1,295	1,421
Other (principally interest on investment securities)	13	34	46
	$2,447	$1,689	$1,759
Expense			
Interest on Other Borrowed Money	$ 830	$ 857	$ 907
Interest and Fees Paid to Subsidiaries	191	167	316
Interest on Long-Term Debt and Subordinated Capital Notes	1,325	1,005	802
Other Expense	23	11	9
	$2,369	$2,040	$2,034
Income (Loss) before Taxes and Equity in Undistributed Net Income of Subsidiaries	$ 78	$ (351)	$ (275)
Income Tax Benefit—Current	433	367	261
Equity in Undistributed Net Income of Subsidiaries	547	982	904
NET INCOME	$1,058	$ 998	$ 890

Condensed Statement of Changes in Financial Position

IN MILLIONS OF DOLLARS	1986	1985	1984
Funds Provided			
Net Income	$1,058	$ 998	$ 890
Deduct Equity in Undistributed Net Income of Subsidiaries	547	982	904
Funds Derived from Operations	$ 511	$ 16	$ (14)
Increase in			
Purchased Funds and Other Borrowings	2,106	2,399	1,028
Long-Term Debt, Subordinated Capital Notes, and Redeemable Preferred Stock	4,909	3,421	987
Preferred Stock	150	575	100
Advances from Subsidiaries	1,341	—	—
Decrease in			
Deposits with Subsidiary Banks	136	245	1,203
Investment Securities	—	163	—
Other, Net	—	87	308
TOTAL	$9,153	$6,906	$3,712
Funds Used			
Cash Dividends Declared	$ 325	$ 353	$ 319
Increase in			
Investment Securities	304	—	48
Investments in and Advances to Subsidiaries	8,458	6,057	2,288
Decrease in			
Advances from Subsidiaries	—	496	1,057
Other, Net	66	—	—
TOTAL	$9,153	$6,906	$3,712

Various legal restrictions limit the extent to which certain subsidiaries of Citicorp can supply funds to Citicorp or its other subsidiaries and affiliates. In addition, the approval of the Comptroller of the Currency is required if total dividends declared by a national bank in any calendar year exceed the bank's net profits (as defined) for that year combined with its retained net profits for the preceding two calendar years. Under the formula as it applies to Citicorp's national bank subsidiaries (which at December 31, 1986 had combined net assets of approximately $9.6 billion), Citicorp can receive dividends from such bank subsidiaries in 1987 without approval of the Comptroller of the Currency of approximately $1.4 billion, plus an additional amount equal to their net profits for 1987 up to the date of any such dividend declaration.

Citi 197325
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COMPANIES REGISTRATION
15 APR 1987
OFFICE

FINANCIAL STATISTICS

QUARTERLY FINANCIAL INFORMATION

CITICORP AND SUBSIDIARIES

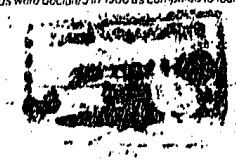
IN MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS	1986 4th	1986 3rd	1986 2nd	1986 1st	1985 4th	1985 3rd	1985 2nd	1985 1st
Net Interest Revenue	$1,062	$1,571	$1,464	$1,431	$1,533	$1,360	$1,311	$1,234
Fees, Commissions and Other Revenue	1,230	1,070	1,013	959	844	751	740	695
TOTAL REVENUE	$2,892	$2,641	$2,477	$2,390	$2,377	$2,119	$2,051	$1,929
Provision for Possible Credit Losses	$ 508	$ 431	$ 457	$ 429	$ 394	$ 316	$ 280	$ 223
Operating Expense	1,981	1,784	1,611	1,499	1,609	1,407	1,310	1,191
TOTAL EXPENSE	$2,489	$2,215	$2,068	$1,928	$2,003	$1,753	$1,590	$1,414
Income Before Taxes	$ 403	$ 426	$ 409	$ 462	$ 374	$ 366	$ 461	$ 515
Income Taxes[1]	97	179	174	192	131	139	210	238
NET INCOME	$ 306	$ 247	$ 235	$ 270	$ 243	$ 227	$ 251	$ 277
Per Share								
Net Income[2]								
On Common and Common Equivalent Shares	$2.03	$1.64	$1.60	$1.87	$1.69	$1.60	$1.81	$2.02
Assuming Full Dilution	$2.03	$1.63	$1.60	$1.87	$1.68	$1.60	$1.81	$2.02
TOTAL ASSETS	$196,124	$186,047	$183,388	$181,896	$173,597	$169,062	$159,580	$154,603
Cash Dividends Declared								
Redeemable Preferred and Preferred Stock	$19	$17	$19	$20	$19	$16	$14	$14
Common Stock[3]	$85	$85	—	$80	$73	$73	$72	$72
Common Stock, Per Share[3]	$.615	$.615	—	$.615	$.565	$.565	$.565	$.565
Common Stock Price Range								
High	55½	60⅞	63½	63¾	50⅜	51¾	50	47⅛
Low	47⅛	49⅛	55⅜	46⅞	40½	40	42¼	36⅞
Close	53	50⅛	59¾	62⅜	49⅜	40½	43⅜	43¼

(1) Refer to Note 14 for a discussion of the impact of the Tax Reform Act.
(2) On Net Income available for Common Stockholders after deducting Total Preferred Stock Dividends.
(3) Beginning with the second quarter of 1986, common dividends will be considered for declaration in July, October, January and April, instead of June, September, December, and March. As a result only three dividends were declared in 1986 as compared to four dividends in 1985.

RATIOS

	1986	1985	1984
Return on Average Total Assets[1]	.58%	.62%	.62%
Return on Common Stockholders' Equity[2]	13.8%	15.1%	15.0%
Return on Total Stockholders' Equity[3]	12.6%	14.1%	14.4%
Average Common Stockholders' Equity as a Percentage of Average Total Assets	3.9%	3.9%	3.9%
Average Total Stockholders' Equity as a Percentage of Average Total Assets	4.6%	4.4%	4.3%
Dividends Per Common Share as a Percentage of Net Income Per Common Share[4]	25.9%	31.7%	31.9%

(1) Net Income as a percentage of Average Total Assets.
(2) Net Income less Total Preferred Stock Dividends as a percentage of Average Common Stockholders' Equity.
(3) Net Income less Redeemable Preferred Stock Dividends as a percentage of Average Total Stockholders' Equity.
(4) Beginning with the second quarter of 1986, common dividends will be considered for declaration in July, October, January, and April, instead of June, September, December, and March. As a result only three dividends were declared in 1986 as compared to four dividends in 1985 and 1984.



1986 FORM 10-K CROSS-REFERENCE INDEX

Securities and Exchange Commission
Washington, DC 20549

Annual Report Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934
For the fiscal year ended December 31, 1986
Commission File Number 1-5738

CITICORP

Incorporated in the State of Delaware
IRS Employer Identification Number, 13-2614988
Address: 399 Park Avenue, New York, NY 10043
Telephone: (212) 559-1000

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

A list of Citicorp securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 is available from the Office of the Secretary, 399 Park Avenue, New York, NY 10043.

As of December 31, 1986, Citicorp had 137,614,844 shares of Common Stock outstanding.

Citicorp (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

The aggregate market value of Citicorp common stock held by non-affiliates on January 31, 1987 was approximately $7.3 billion.

This Annual Report and Form 10-K incorporates into a single document the requirements of the accounting profession and the Securities and Exchange Commission, including a comprehensive explanation of 1986 results.

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*Citicorp's 1987 Proxy Statement is incorporated herein by reference.

Certain statistical data required by the Securities and Exchange Commission are included on pages 22 to 27, pages 30 to 33, page 73, and pages 75 to 79.

AVERAGE BALANCES AND INTEREST RATES
TAXABLE EQUIVALENT BASIS[1]

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	1986 AVERAGE VOLUME	1986 INTEREST	1986 % AVERAGE RATE	1985 AVERAGE VOLUME	1985 INTEREST	1985 % AVERAGE RATE	1984 AVERAGE VOLUME	1984 INTEREST	1984 % AVERAGE RATE
INTEREST REVENUE									
Loans and Lease Financing (Net of Unearned Discount)[2]									
Commercial Loans									
In Domestic Offices									
Commercial and Industrial	$ 12,680	$ 1,671	13.17	$ 13,212	$ 1,822	13.79	$ 14,092	$ 2,069	14.68
Mortgage and Real Estate	7,032	676	9.61	5,300	591	11.15	4,931	609	11.79
Loans to Financial Institutions	416	62	14.90	604	84	13.91	1,189	128	10.77
In Overseas Offices	37,873	4,797	12.77	36,967	6,738	14.73	38,425	6,101	15.88
Total Commercial Loans	$ 57,709	$ 7,206	12.49	$ 56,083	$ 9,235	14.18	$ 58,027	$ 8,907	15.18
Consumer Loans									
In Domestic Offices	$ 49,007	$ 6,638	13.38	$ 40,566	$ 5,795	14.14	$ 30,671	$ 4,431	14.45
In Overseas Offices	11,099	1,506	13.60	7,171	1,166	16.64	6,084	1,013	16.69
Total Consumer Loans	$ 60,706	$ 8,144	13.42	$ 47,737	$ 6,961	14.60	$ 36,755	$ 5,444	14.81
Total Loans	$118,415	$15,350	12.96	$103,820	$15,196	14.52	$ 94,782	$14,351	15.04
Lease Financing	2,864	413	14.42	2,424	403	16.10	1,900	302	20.63
Total Loans and Lease Financing	$121,279	$15,763	13.00	$106,244	$15,619	14.43	$ 96,682	$14,653	15.15
Funds Sold and Resale Agreements (Principally in domestic offices)	$ 7,652	$ 692	9.04	$ 6,035	$ 1,067	16.99	$ 4,000	$ 908	19.07
Investment Securities									
In Domestic Offices									
U.S. Treasury and Federal Agencies	$ 2,550	$ 245	9.61	$ 2,505	$ 268	10.70	$ 2,745	$ 304	11.07
State and Municipal	537	54	10.06	395	48	12.15	419	52	12.41
Other	1,330	117	8.80	769	105	13.32	704	71	10.09
In Overseas Offices (Principally local government issues)	5,984	680	11.36	3,448	466	13.52	2,313	279	12.06
Total	$ 10,401	$ 1,096	10.54	$ 7,136	$ 887	12.43	$ 6,181	$ 706	11.42
Trading Account Assets									
U.S. Treasury and Federal Agencies	$ 289	$ 39	13.49	$ 817	$ 98	12.00	$ 1,079	$ 134	12.47
State and Municipal	1,204	144	11.96	864	71	8.22	396	62	15.58
Other (Principally in overseas offices)	6,628	627	9.46	4,888	709	14.50	3,246	611	18.81
Total	$ 8,121	$ 810	9.97	$ 6,569	$ 878	13.37	$ 4,719	$ 798	16.91
Interest-Bearing Deposits (Principally in overseas offices)	$ 13,081	$ 1,072	8.21	$ 11,811	$ 1,150	9.70	$ 11,077	$ 1,273	11.00
Total Interest-Earning Assets	$160,504	$10,433	12.11	$140,595	$19,027	13.72	$124,067	$18,390	14.80
Non-Interest-Earning Assets	23,509			19,910			18,604		
TOTAL ASSETS	$184,013			$160,505			$142,671		
INTEREST EXPENSE									
Deposits									
In Domestic Offices									
Savings Deposits[3]	$ 17,219	$ 97[illegible]	5.37	$ 14,295	$ 908	6.77	$ 11,629	$ 801	7.09
Negotiable Certificates of Deposit	4,953	182	0.32	2,314	241	10.41	1,573	151	9.60
Other Time Deposits	21,108	1,024	8.04	19,553	1,895	9.09	16,102	1,916	11.07
Total Domestic Interest-Bearing Deposits	$ 40,280	$ 2,083	7.41	$ 36,162	$ 3,104	8.58	$ 29,304	$ 2,903	10.09
In Overseas Offices	56,534	6,208	9.21	50,328	5,761	11.45	40,780	5,008	12.11
Total	$ 96,814	$ 8,191	8.46	$ 86,490	$ 8,865	10.25	$ 70,150	$ 8,631	11.33
Funds Borrowed									
In Domestic Offices									
Purchased Funds and Other Borrowings									
Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	$ 10,433	$ 740	7.09	$ 10,004	$ 855	8.50	$ 9,329	$ 972	10.42
Commercial Paper	6,205	422	6.80	4,977	415	8.34	4,670	525	10.56
Other Purchased Funds	5,865	552	9.41	6,396	597	9.33	5,646	569	10.08
Long-Term Debt, Convertible Notes and Subordinated Capital Notes	17,076	1,611	9.43	12,032	1,335	11.10	9,093	1,034	11.41
Total in Domestic Offices	$ 39,581	$ 3,325	8.40	$ 33,469	$ 3,202	9.57	$ 28,008	$ 3,099	10.98
In Overseas Offices	9,046	1,580	17.47	7,915	1,961	24.78	8,038	2,145	26.49
Total	$ 48,627	$ 4,905	10.09	$ 41,384	$ 5,163	12.48	$ 37,106	$ 5,244	14.13
Total Interest-Bearing Liabilities	$145,441	$13,096	9.00	$127,874	$14,028	10.97	$107,256	$13,875	12.93
Demand Deposits in Domestic Offices	9,428			7,256			9,021		
Other Non-Interest-Bearing Liabilities	20,750			18,349			17,195		
Total Stockholders' Equity	8,394			7,024			8,199		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$184,013			$160,505			$142,671		
NET INTEREST REVENUE AS A PERCENTAGE OF AVERAGE INTEREST-EARNING ASSETS									
In Domestic Offices	$ 85,102	$ 4,025	4.73	$ 72,165	$ 3,267	4.18	$ 60,936	$ 2,312	3.79
In Overseas Offices	75,322	2,312	3.07	67,630	2,332	3.45	63,131	2,169	3.44
TOTAL	$160,504	$ 6,337	3.95	$140,595	$ 5,599	3.98	$124,067	$ 4,481	3.61

(1) The taxable equivalent adjustment is based on the marginal tax rate of 46%
(2) Loans and lease financing balances include cash basis loans and leases
(3) Savings Deposits consist of Insured Money Market Rate accounts, NOW accounts, and other Savings Deposits

ANALYSIS OF CHANGES IN NET INTEREST REVENUE
TAXABLE EQUIVALENT BASIS

IN MILLIONS OF DOLLARS	1986 vs. 1985 INCREASE (DECREASE) DUE TO CHANGE IN AVERAGE VOLUME	AVERAGE RATE	NET CHANGE[1]	1985 vs. 1984 INCREASE (DECREASE) DUE TO CHANGE IN AVERAGE VOLUME	AVERAGE RATE	NET CHANGE[1]
Loans—Commercial						
In Domestic Offices	$ 129	$ (217)	$ (88)	$ (66)	$ (143)	$ (209)
In Overseas Offices	(200)	(741)	(941)	88	(451)	(363)
Total	$ (71)	$ (958)	$(1,029)	$ 22	$ (594)	$ (572)
Loans—Consumer						
In Domestic Offices	$1,223	$ (323)	$ 900	$1,39[illegible]	$ (93)	$1,304
In Overseas Offices	562	(239)	323	1[illegible]	(6)	173
Total	$1,785	$ (562)	$ 1,223	$1,576	$ (99)	$1,477
Lease Financing						
In Domestic Offices	$ 39	$ (49)	$ (10)	$ 51	$ 2	$ 53
In Overseas Offices	18	(58)	(40)	30	(12)	18
Total	$ 57	$ (107)	$ (50)	$ 81	$ (10)	$ 71
Total Loans and Lease Financing	$1,771	$(1,627)	$ 144	$1,679	$ (703)	$ 976
Funds Sold & Resale Agreements (Principally in domestic offices)	$ 118	$ (513)	$ (395)	$ 261	$ (110)	$ 151
Investment Securities						
In Domestic Offices	$ 75	$ (80)	$ (5)	$ (22)	$ 16	$ (6)
In Overseas Offices	298	(84)	214	150	37	187
Total	$ 373	$ (164)	$ 209	$ 128	$ 53	$ 181
Trading Account Assets						
In Domestic Offices	$ 6	$ (44)	$ (38)	$ 83	$ (36)	$ 47
In Overseas Offices	209	(239)	(30)	82	(49)	33
Total	$ 215	$ (283)	$ (68)	$ 165	$ (85)	$ 80
Interest-Bearing Deposits (Principally in overseas offices)	$ 114	$ (198)	$ (84)	$ 26	$ (143)	$ (117)
TOTAL INTEREST REVENUE	$2,591	$(2,785)	$ (194)	$2,259	$ (988)	$1,271
Deposits						
In Domestic Offices	$ 331	$ (452)	$ (121)	$ 397	$ (256)	$ 141
In Overseas Offices	657	(1,210)	(553)	342	(249)	93
Total	$ 988	$(1,662)	$ (674)	$ 739	$ (505)	$ 234
Funds Borrowed						
In Domestic Offices	$ 542	$ (419)	$ 123	$ 321	$ (218)	$ 103
In Overseas Offices	253	(634)	(381)	(47)	(137)	(184)
Total	$ 795	$(1,053)	$ (258)	$ 274	$ (355)	$ (81)
TOTAL INTEREST EXPENSE	$1,783	$(2,715)	$ (932)	$1,013	$ (860)	$ 153
NET INTEREST REVENUE	$ 808	$ (70)	$ 738	$1,246	$ (128)	$1,118

(1) Rate/Volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total "Net Change."

INVESTMENT SECURITIES
CARRYING VALUE AND YIELD[1]
BY MATURITY DATE AS OF DECEMBER 31, 1986

IN MILLIONS OF DOLLARS	US TREASURY AND FEDERAL AGENCIES AMOUNT	US TREASURY AND FEDERAL AGENCIES YIELD	STATE AND MUNICIPAL AMOUNT	STATE AND MUNICIPAL YIELD	OTHER (PRINCIPALLY IN OVERSEAS OFFICES) AMOUNT	OTHER (PRINCIPALLY IN OVERSEAS OFFICES) YIELD
Due Within 1 Year	$ 237	9.44%	$ 86	4.21%	$1,068	*
After 1 but Within 5 Years	553	9.72%	83	4.54%	3,338	*
After 5 but Within 10 Years	435	10.11%	304	6.75%	1,431	*
After 10 Years	2,003	8.91%	1,482	5.70%	960	*
TOTAL	$3,228	9.22%	$1,955[2]	5.79%	$6,807[3]	*
Carrying Value and Yield[1] As of December 31, 1985	$2,818	9.90%	$ 825	6.19%	$6,004	*
Carrying Value and Yield[1] As of December 31, 1984	$2,811	10.60%	$ 439	6.68%	$3,272	*

(1) Computed by dividing annual interest (net of amortization of premium or accretion of discount) by the carrying value of the respective investment securities at December 31, 1986, 1985, and 1984.
(2) See (1) in note 1 of notes to the financial statements.
(3) See (2) in note 1 of notes to the financial statements.
**Yield information not readily available.*

LOANS AND LEASE FINANCING OUTSTANDING

IN MILLIONS OF DOLLARS AT YEAR END	1986	1985	1984	1983	1982
Commercial Loans					
In Domestic Offices					
Commercial and Industrial[1]	**$ 16,994**	$ 13,514	$ 16,028	$14,910	$17,817
Mortgage and Real Estate[2]	**7,637**	6,165	4,912	3,975	2,915
Loans to Financial Institutions[3]	**1,299**	1,353	1,003	2,341	2,623
	$ 25,930	$ 21,032	$ 21,943	$21,226	$23,355
In Overseas Offices					
Commercial and Industrial[1]	**$ 23,101**	$ 25,683	$ 25,235	$27,592	$29,590
Mortgage and Real Estate[2]	**2,330**	2,143	1,906	1,822	2,745
Loans to Financial Institutions	**4,375**	5,363	5,827	5,914	4,151
Governments and Official Institutions	**4,170**	4,434	4,298	4,074	3,140
	$ 33,976	$ 37,623	$ 37,266	$39,402	$39,626
	$ 59,906	$ 58,655	$ 59,209	$60,628	$62,981
Unearned Discount	**(467)**	(483)	(410)	(386)	(463)
Commercial Loans, Net of Unearned Discount	**$ 59,439**	$ 58,172	$ 58,799	$60,242	$62,518
Consumer Loans					
In Domestic Offices					
Mortgage and Real Estate[2]	**$ 27,991**	$ 21,719	$ 17,679	$10,751	$ 9,261
Installment, Revolving Credit and Other	**29,700**	27,490	21,913	15,418	11,213
	$ 57,691	$ 49,209	$ 39,592	$26,169	$20,474
In Overseas Offices	**14,706**	10,727	7,593	6,856	6,824
	$ 72,397	$ 59,936	$ 47,185	$33,025	$27,298
Unearned Discount	**(4,154)**	(4,418)	(4,524)	(4,030)	(4,093)
Consumer Loans, Net of Unearned Discount	**$ 68,243**	$ 55,518	$ 42,661	$28,995	$23,205
Lease Financing					
Lease Financing, Net of Unearned Income	**$ 3,222**	$ 2,809	$ 2,164	$ 1,817	$ 1,855
Allowance for Possible Credit Losses	**$ (1,698)**	$ (1,295	$ (917)	$ (771)	$ (687)
TOTAL LOANS AND LEASE FINANCING, NET	**$129,206**	$115,264	$102,707	$90,283	$86,891

(1) Includes loans not otherwise separately categorized.
(2) Includes only loans secured primarily by real estate.
(3) Includes loans to governments and official institutions of $415 million in 1986, $434 million in 1985, $273 million in 1984, $475 million in 1983, and $243 million in 1982.

DETAIL OF CREDIT LOSS EXPERIENCE

IN MILLIONS OF DOLLARS	1986	1985	1984	1983	1982
ALLOWANCE FOR POSSIBLE CREDIT LOSSES AT BEGINNING OF YEAR	**$1,235**	$ 917	$771	$687	$581
Deductions					
Gross Loan and Lease Losses					
Commercial					
Mortgage and Real Estate:					
In Domestic Offices	**$ —**	$ 2	$ 5	$ 3	$ 4
In Overseas Offices	**33**	15	3	11	8
Governments and Official Institutions	**37**	44	40	47	11
Loans to Financial Institutions:					
In Domestic Offices	**—**	—	—	—	—
In Overseas Offices	**19**	19	9	23	—
Commercial and Industrial:					
In Domestic Offices	**100**	84	83	81	91
In Overseas Offices	**300**	278	137	127	131
Consumer[1]					
In Domestic Offices	**1,050**	642	320	210	197
In Overseas Offices	**122**	77	66	73	69
	$1,661	$1,161	$663	$575	$511
Loan and Lease Recoveries					
Commercial					
Mortgage and Real Estate:					
In Domestic Offices	**$ 1**	$ 2	$ 6	$ 10	$ 11
In Overseas Offices	**3**	1	4	1	1
Governments and Official Institutions	**4**	6	—	—	—
Loans to Financial Institutions:					
In Domestic Offices	**—**	—	—	8	9
In Overseas Offices	**—**	—	—	—	—
Commercial and Industrial:					
In Domestic Offices	**27**	25	25	11	3
In Overseas Offices	**41**	29	21	21	29
Consumer[1]					
In Domestic Offices	**174**	111	81	67	62
In Overseas Offices	**40**	23	19	20	20
	$ 290	$ 199	$156	$138	$135
Net Loan and Lease Losses					
In Domestic Offices	**$ 948**	$ 590	$296	$198	$207
In Overseas Offices	**423**	372	211	239	169
	$1,371	$ 962	$507	$437	$376
Additions					
Provision for Possible Credit Losses	**$1,825**	$1,243	$619	$520	$473
Other (Principally from allowance balances of acquired companies and translation of overseas allowance balances)	**9**	37	34	1	9
	$1,834	$1,280	$653	$521	$482
ALLOWANCE FOR POSSIBLE CREDIT LOSSES AT END OF YEAR	**$1,698**	$1,235	$917	$771	$687
Excess of Provision over Net Loan and Lease Losses	**$ 454**	$ 281	$112	$ 83	$ 97
Cumulative Excess of Provision over Net Loan and Lease Losses (since 1981)	**$1,027**	$ 573	$292	$180	$ 97
Cumulative Increase in Allowance (since 1981)	**$1,117**	$ 654	$336	$190	$106

(1) Consumer loan losses primarily relate to installment and revolving credit loans.

LOAN MATURITIES AND SENSITIVITY TO CHANGES IN INTEREST RATES

THE MATURITIES OF THE GROSS COMMERCIAL LOAN PORTFOLIO AS OF DECEMBER 31, 1986

IN MILLIONS OF DOLLARS	DUE WITHIN 1 YEAR	OVER 1 BUT WITHIN 5 YEARS	OVER 5 YEARS	TOTAL
In Domestic Offices				
Commercial and Industrial Loans	$ 6,873	$ 4,299	$ 5,822	**$16,994**
Mortgage and Real Estate	2,727	1,491	3,419	**7,637**
All Other Loans	542	202	465	**1,209**
In Overseas Offices	21,481	7,827	4,668	**33,976**
TOTAL	$31,623	$13,909	$14,374	**$59,806**

The following table represents the sensitivity of the above loans due after one year to changes in interest rates:

Loans at Predetermined Interest Rates	$ 4,416	$ 6,795
Loans at Floating or Adjustable Interest Rates	9,493	7,579
TOTAL	$13,909	$14,374

TIME DEPOSITS IN DOMESTIC OFFICES

($100,000 OR MORE) IN MILLIONS OF DOLLARS AT YEAR END	CERTIFICATES OF DEPOSIT	OTHER TIME DEPOSITS
Under 3 months	$3,244	$2,730
3 to 6 months	484	926
6 to 12 months	410	582
Over 12 months	670	2,315

AVERAGE DEPOSIT LIABILITIES IN OVERSEAS OFFICES

	1986		1985		1984	
IN MILLIONS OF DOLLARS	AVERAGE BALANCE	% AVERAGE INTEREST RATE	AVERAGE BALANCE	% AVERAGE INTEREST RATE	AVERAGE BALANCE	% AVERAGE INTEREST RATE
Banks[1]	**$17,729**	**9.65**	$17,501	11.37	$17,816	11.27
Other demand deposits	**8,330**	**4.73**	6,470	4.20	4,782	5.51
Other time and savings deposits[1]	**33,961**	**9.15**	28,958	12.04	26,467	12.83
TOTAL	**$60,020**	**8.68**	$52,929	10.86	$49,065	11.55

(1) Primarily consists of time certificates of deposit and other time deposits in denominations of $100,000 or more.

PROPERTIES

The principal offices of Citicorp and Citibank, N.A. ("Citibank") are located at 399 Park Avenue, New York, New York, a 39-story building owned by Citibank. Citibank also owns Citicorp Center, a 50-story building located at 153 East 53rd Street across from 399 Park Avenue. Approximately 68% of the Citicorp Center and 399 Park Avenue complex is occupied by Citicorp. In addition, Citibank also owns other properties in New York, including 111 Wall Street which is totally occupied by Citicorp and its affiliates and 55 Wall Street, a nine-story building of which 34% is so occupied. Citicorp also has major domestic corporate real estate holdings in Los Angeles, San Francisco and Sioux Falls.

Internationally, Citicorp also owns major corporate premises in various cities throughout the world including Paris, London, Dusseldorf, Brussels, Buenos Aires, Rio de Janeiro, Sao Paulo, Mexico City, San Juan, Caracas, Hong Kong, Manila and Tokyo. In all, some 36% of Citicorp owned corporate real estate is located outside the United States. Of the approximately 2,300 offices and other facilities of Citicorp located throughout the world, 440 are owned and the balance are leased.

CONSENT OF INDEPENDENT AUDITORS

PEAT MARWICK

Peat, Marwick, Mitchell & Co.
Certified Public Accountants

The Board of Directors
Citicorp:

We consent to incorporation by reference of our report dated January 20, 1987, relating to the consolidated balance sheet of Citicorp and subsidiaries as of December 31, 1986 and 1985 and the related consolidated statements of income, changes in stockholders' equity and changes in financial position for each of the years in the three-year period ended December 31, 1986 and the consolidated balance sheet of Citibank, N.A. and subsidiaries as of December 31, 1986 and 1985, which report appears on page 51 of the 1986 Citicorp Annual Report and Form 10-K, in the following Registration Statements: of Citicorp, Nos. 2-47647, 2-47648, 2-58678, 2-58679, 2-77058, 2-82298, and 33-5564 on Form S-8 and Nos. 2-96725, 33-784, 33-3114, 33-6151, 33-2928, 33-4400, 33-5702, 33-11927, and 33-11928 on Form S-3; and of Citibank, N.A. and other affiliates, Nos. 33-3142, 33-780, 2-98882, 2-93656, 2-98528, 33-3161, 33-6358, 33-8718, and 33-6979 on Form S-11.

Peat, Marwick, Mitchell & Co.

New York, New York
February 27, 1987

EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

Financial Statements Filed:
Citicorp and Subsidiaries:
Consolidated Statement of Income
Consolidated Balance Sheet
Consolidated Statement of Changes in Stockholders' Equity
Consolidated Statement of Changes in Financial Position

Citicorp filed no Form 8-K Current Report for any month in the year ended December 31, 1986.

Citicorp's significant subsidiaries (as defined) and their place of incorporation or organization include:

Citibank, N.A.	United States
Citicorp Banking Corporation	Delaware
Citicorp Holdings, Inc.	Delaware

Other subsidiaries of Citicorp and their place of incorporation or organization include:

Citibank (New York State), N.A.	United States
Citicorp Digital Exchange, Inc.	Delaware
Citicorp Latino, Inc.	Delaware
Citicorp Trust, N.A. (California)	United States
Citicorp Trust, N.A. (Florida)	United States
Citicorp International Group, Inc.	Delaware
Citicorp Overseas Services, Inc.	Delaware
Citicorp Realty Consultants, Inc.	Delaware
Citicorp Securities Markets, Inc.	Delaware
Citilease, Inc.	Delaware
Citicorp Retail Services, Inc.	Delaware

Citicorp's Certificate of Incorporation and By-laws, instruments Defining the Rights of Securities Holders, including Indentures and constituent instruments relating to various executive and staff benefit plans, have been previously filed with the Commission as Exhibits to various Citicorp registration statements.

Stockholders may obtain copies of such documents by writing Citicorp, Office of the Secretary, 399 Park Avenue, New York, New York 10043.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CITICORP
(Registrant)

Paul Kolterjahn
Senior Vice President—Secretary

February 27, 1987

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed on February 27, 1987 by the following persons in the capacities indicated.

Donald S. Howard
Executive Vice President
(Principal Financial Officer)

Thomas E. Jones
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

John S. Reed (Citicorp's Principal Executive Officer) and the Directors of Citicorp (listed below) executed a power of attorney appointing Paul Kolterjahn their attorney-in-fact, empowering him to sign this report on their behalf.

Hans H. Angermueller
Richard S. Braddock
Colby H. Chandler
Paul J. Collins
James H. Evans
James D. Farley
Lawrence E. Fouraker
Arthur Furer
Clifton C. Garvin, Jr.
Harry J. Gray
John W. Hanley
H.J. Haynes
Juanita M. Kreps
C. Peter McColough
Roger Milliken
Charles M. Pigott
Donald V. Seibert
Frank Shrontz
Mario Henrique Simonsen
Lawrence M. Small
Darwin E. Smith
Thomas C. Theobald
Franklin A. Thomas

CITICORP AND CITIBANK SENIOR MANAGEMENT

HANS H. ANGERMUELLER,
62, vice chairman of Citicorp and Citibank, is policy-making officer for Citicorp's and Citibank's legal, regulatory and external affairs. Mr. Angermueller has served as chairman of the Corporation's Country Risk Review Committee. He joined Citibank in 1973 as senior vice president and general counsel.

ROBERT D. BAILEY,
47, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the Asia/Pacific Group in the Institutional Bank. His previous assignments include service in Citibank's branches in Venezuela, senior officer in charge of operations in Mexico, and senior officer for Italy. In 1975 he was named Area Corporate Officer in charge of activities in the United Kingdom, the Republic of Ireland and Scandinavia. In 1980 he was named Country Head for Brazil. He joined Citibank in 1963.

RICHARD S. BRADDOCK,
45, sector executive of Citicorp and Citibank, heads the Individual Bank. He has served in the New York branch system, as division head of Citibank's European consumer operations and the Card Products Division. In 1982 he assumed responsibility for the Consumer Banking, Travel and Entertainment Group. In 1984 he was head of domestic businesses for the Individual Bank. He assumed his current responsibilities in September 1985. He joined Citibank in 1973.

MICHAEL A. CALLEN,
46, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the North American Finance Group and is responsible for the development and management of financial services to commercial, industrial and service businesses in the U.S. and Canada. His previous assignments include service in Southeast Asia, the Middle East, Saudi Arabia, chief executive officer for Citibank's affiliate, the Saudi American Bank in Riyadh, and responsibility for treasury funding, foreign exchange activities and the investment portfolio in the U.S. He joined Citibank in 1965.

PEI-YUAN CHIA,
48, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the U.S. Card Products Group of the Individual Bank. Previous assignments include responsibility for marketing and the ATM program in the New York branch system, Managing Director of Farnibank, Belgium, and the Carte Blanche/Diners Club business in the U.S. He assumed responsibility for the Development Division of the Individual Bank in 1982, and for the Citicorp Savings Division in 1984. He joined Citibank in 1974.

GEORGE J. CLARK,
62, executive vice president of Citibank, assists in representing Citicorp internationally, and manages the country-risk exposure lending limits. Before this assignment, he was division head for the Western Caribbean, South America, Canada, the Middle East, Asia and Africa in the International Banking Group. He joined Citibank in 1964.

PAUL J. COLLINS,
50, senior corporate officer of Citicorp and Citibank, is responsible for North America, Citicorp's Information Business and strategic planning. Previously, he was chief investment officer, head of Corporate Planning, supervised the Corporation's accounting and control functions, head of the Financial Markets Group and most recently head of the Investment Bank. He joined Citibank in 1961.

JAMES D. FARLEY,
60, vice chairman of Citicorp and Citibank, is responsible for the western United States activities of Citicorp, the Pacific Basin area, and special worldwide customer relations. He is also chairman of the Corporation's Internal Personnel Planning Committee. Previously he headed the Merchant Bank and was Group Executive in charge of the Caribbean, Central and South American Banking Group. He joined Citibank in 1950.

PAMELA P. FLAHERTY,
42, Senior Human Resources Officer of Citicorp and Citibank, assumed this position in 1985. Joining Citibank in the International Banking Group, she was involved in developing support systems for consumer finance in the U.S. and abroad. Prior to her current assignment she held key managerial positions in Citibank's branch system and most recently was director of marketing and development for Citibank's Northeast Division retail banking activities. She joined Citibank in 1968.

DAVID E. GIDSON,
46, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the Private Banking Group in the Individual Bank. He has broad experience in corporate banking in New York, Japan and Brazil. He also served as country head for the World Corporation Group in Brazil, and chief of staff for the Caribbean, Central and South American Banking Group. In 1981 he was appointed division head of the Australasia and Southeast Asia Division of the Institutional Bank in Singapore. He joined Citibank in 1969.

PAUL P. GLASER,
60, senior vice president of Citibank is chairman of the Corporate Technology Committee. He is responsible for establishing technology policy and standards, for introducing new technology and for evaluating the quality and direction of systems efforts. Until 1985 he was chairman of Transaction Technology, Inc. responsible for the design, development and operation of advanced electronic systems and networks for delivering financial services to Citibank and Citicorp customers. He joined Citibank in 1973.

LAWRENCE R. GLENN,
48, chairman credit policy committee, is the chief lending officer of both Citicorp and Citibank. He is responsible for establishing credit rules and policies and providing general supervision of the soundness of the loan portfolio. He assumed his present responsibilities in 1982. Previous assignments include division head in charge of the Real Estate Industries of the North American Finance Group and senior officer in the field for countries in the Northern Caribbean Region. He joined Citibank in 1963.

GUENTHER E. GREINER,
48, group executive of Citicorp and Citibank, is responsible for the Institutional Bank's Europe/Middle East/Africa Group and assumed his present position in 1985. Previous assignments include Senior Vice President/Division Executive of the North American Banking Group and prior to that, the area corporate officer for Germany, Austria and Eastern Europe. He joined Citibank in 1965.

GEORGE E. HAGERMAN, JR.,
53, group executive of Citicorp and Citibank, heads the Financial Institutions Group, which maintains the bank's operational and marketing relationships with domestic and international correspondent banks and other financial institutions. Joining Citibank in the overseas division, he was assigned to key management positions in Venezuela, Argentina and Brazil. He has served as division head for Central and South America and the Caribbean. He assumed his present responsibilities in January 1980. He joined Citibank in 1957.

WILLIAM J. HERON, JR.,
45, group executive of Citicorp and Citibank, head of the U.S. Consumer Banking Group of the Individual Bank, assumed his present responsibilities in 1985. Since 1970, Mr. Heron has held various positions in the Card Products Division and the New York Banking Division. In 1982 he was appointed division executive for New York consumer banking business, which also included Upstate New York, New Jersey and Connecticut. He joined Citibank in 1969.

EDWIN P. HOFFMAN,
44, group executive of Citicorp and Citibank, direc[illegible] the Institutional Bank's Caribbean, Central and South America Group. His previous assignments include senior management positions in Colombia, the Middle East and North Africa and supervision of the Western Hemisphere Group of the Individual Bank overseeing Citicorp's domestic consumer subsidiaries, its Savings and Loan Associations, the up state New York branches and Latin America[illegible] joined Citibank in 1969.

DONALD S. HOWARD,
58, executive vice president, is the Chief Financial Officer of Citicorp and Citibank, responsible for worldwide liquidity, capital structure planning, the development of Citicorp's long-range funding plan and management of all intermediate and long term debt issues. He joined Citibank in 1957.

RICHARD L. HUBER,
50, group executive of Citicorp and Citibank, is responsible for U.S. Equity Finance, the Latin American Investment Bank and Global Insurance. In 1977 he became area corporate officer for Japan and Guam. In 1980 he was named head of the Institutional Bank's North East Asia division, and most recently was in charge of the Asia Pacific Banking Group of the Institutional Bank. He assumed his current responsibilities in September 1985. He joined Citibank in 1973.

DANIEL T. JACOBSEN,
54, chief auditor of Citicorp and Citibank, is responsible for worldwide Citicorp/Citibank audits and loan reviews. He has held international posts in Mexico, Canada, Japan, Hong Kong, and the Philippines, where he was country senior officer from 1975 to 1980. As chief auditor he reports directly to the Board of Directors. He joined Citibank in 1959.

THOMAS E. JONES,
48, senior vice president-chief accounting officer, is the financial controller for Citicorp and Citibank. Since joining Citicorp in 1980, he has been responsible for the Corporation's accounting, MIS, operational planning and tax functions.

PAUL KOLTERJAHN,
62, was appointed senior vice president-secretary of Citicorp and Citibank in 1983. He is responsible for the Corporate Secretary's Office including Directors' activities, stockholder relations, exchange listings, proxy and annual meeting matters, head office contributions, public issues and corporate security. Previously he was responsible for Administration and Credit Management for the Metropolitan New York branch system. He joined Citibank in 1949.

RICHARD J. LEHMANN,
42, senior corporate officer of Citicorp and Citibank, is responsible for Europe and the Middle East. His previous assignments include posts in Europe for the International Bank. In 1977 he was appointed president and chief executive officer of Citicorp's Nationwide Financial Services Corp. Most recently Mr. Lehmann was U.S. division executive for the Western Hemisphere Consumer Group in charge of domestic consumer banking outside the New York City area. He joined Citibank in 1969.

CHARLES E. LONG,
46, executive vice president of Citicorp and Citibank, supervises Legal and External Affairs, which includes the Office of the General Counsel, the Corporate Secretary's Office, Government Relations, Public Affairs and Advertising and administers the Audit Division. Previously, he had responsibility for consumer financial services overseas and the operating activities of the Personal Banking Group. He took on his current assignment in August 1982. He joined Citibank in 1972.

ALAN S. MacDONALD,
43, group executive of Citicorp and Citibank, is head of Citicorp's North American Investment Bank. His responsibilities include the investment Bank's securities, money market and foreign exchange operations in the U.S., Canada, and Puerto Rico. Prior to assuming his current responsibilities in 1986, he served as head of Citicorp's Information Business Group. From 1979 to 1984, Mr. MacDonald was the Managing Director and Chief Executive Officer of the Crefisul group in Brazil. He joined Citibank in 1974.

ANTHONY G. MANTZAVINOS,
58, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the Institutional Bank's World Corporation Group serving major corporate multinational clients around the world, and shipping accounts. His previous assignments include responsibility for the Asia/Australia/Middle East-Africa banking group and the Financial Institutions division, as well as senior officer in Spain, Portugal, Cyprus, Greece and Canada. His most recent assignment was head of the Institutional Bank in the Europe/Middle East-Africa banking group. He joined Citibank in 1964.

VICTOR MENEZES,
37, senior corporate officer of Citicorp and Citibank, assumed responsibility for Latin America/Africa in 1985. His previous assignments include posts in India and New York. In 1978 he was appointed senior officer of India. His most recent assignment was country corporate officer for Hong Kong and China. He joined Citibank in 1972.

GLEN R. MORENO,
43, group executive of Citicorp and Citibank, is responsible for the Investment Bank for Europe, the Middle East and Africa. Prior to this appointment, he was officer in charge in Germany, headed the South Asia/Australia division of the Institutional Bank and most recently served as senior corporate officer for Europe, the Middle East and North Africa. He joined Citibank in 1969.

JOHN S. REED,
48, chairman and chief executive officer of Citicorp and Citibank is top policy making officer of Citicorp and Citibank. He joined Citibank in 1965 and has held various positions in the overseas division, operating group, consumer services group, and until September 1985 was responsible for the Individual Bank.

WILLIAM R. RHODES,
51, group executive of Citicorp and Citibank, is responsible for establishing and implementing Citicorp's sovereign debt restructuring policies. He also serves as chairman of the Citicorp and Citibank Restructuring Committee. Previously, he was senior corporate officer responsible for the Caribbean, Central and South America and Sub Sahara Africa. He has held several positions in the Latin American and Caribbean area. He joined Citibank in 1957.

IRA S. RIMERMAN,
48, group executive of Citicorp and Citibank, assumed responsibility in 1985 for the Individual Bank's Consumer Services Group, International. Previous assignments include chief financial officer of a Citicorp subsidiary, head of Citibank's Urban Affairs Department's Economic Development Center, and responsibility for Citibank's consumer business in Hong Kong. In 1981 he was selected to head Citibank's Visa and MasterCard business. This included our operations in South Dakota, Nevada and Maryland. Subsequently, the Citibank Financial Account, Choice card and private label credit card businesses were added to his area of responsibility. He joined Citibank in 1971.

PETER H. SCHURING,
46, group executive of Citicorp and Citibank directs the Investment Bank in Asia-Pacific. He has had responsibility for lending activities of Citibank's wholly-owned subsidiaries in Canada, was senior officer for Spain, Portugal, and Andorra, and most recently, was division head for the Institutional Bank in Argentina, Bolivia, Chile, Paraguay, Peru and Uruguay. He joined Citibank in 1963.

LAWRENCE M. SMALL,
45, sector executive of Citicorp and Citibank, is responsible for the Institutional Bank. Previous assignments include service in Chile, head of various operating departments, the upstate New York banking subsidiaries, and Senior Personnel Officer. Most recently he was responsible for the Institutional Bank's North American Finance Group. He joined Citibank in 1964.

THOMAS C. THEOBALD,
49, vice chairman and sector executive of Citicorp and Citibank, has responsibility for Citicorp's Investment Bank and also supervises Real Property Services and Investor Relations. He is chairman of the Corporation's Finance Committee. Previously, he was in charge of the Institutional Bank, the International Banking Group, the World Corporation Group, the Investment Management Group, and a consumer finance affiliate in Australia. He joined Citibank in 1960.

DAVID S. VAN PELT,
45, senior corporate officer of Citicorp and Citibank, is responsible for the Asia/Pacific region. Previously, he held posts in various units of the Commercial Banking Group in New York and was division head for the World Corporation Group. His most recent assignment was division head for the Institutional Bank in Northern Europe. He joined Citibank in 1967.

CITICORP AND CITIBANK DIRECTORS

The Boards of Directors of Citicorp and Citibank meet on the third Tuesday of every month to administer the affairs of the organizations. Certain specific operations and areas of the corporation and the bank are regularly monitored by the directors' committees, whose activities are described on the following pages.

! Director of Citicorp
△ Director of Citibank

HANS H. ANGERMUELLER ! △
Vice Chairman
Citicorp and Citibank, N.A.

RICHARD S. BRADDOCK ! △
Sector Executive
Citicorp and Citibank, N.A.

COLBY H. CHANDLER ! △
Chairman and
Chief Executive Officer
Eastman Kodak Company

PAUL J. COLLINS ! △
Senior Corporate Officer
Citicorp and Citibank, N.A.

JAMES H. EVANS ! △
Former Chairman
Union Pacific Corporation

JAMES D. FARLEY ! △
Vice Chairman
Citicorp and Citibank, N.A.

DR. LAWRENCE E. FOURAKER ! △
Professor Emeritus,
Graduate School of
Business Administration
Harvard University

DR. ARTHUR FURER !
Chairman
Bank Leu AG

CLIFTON C. GARVIN, JR. ! △
Chairman of the Board
and Chief Executive Officer
Exxon Corporation

HARRY J. GRAY ! △
Chairman
United Technologies
Corporation

JOHN W. HANLEY ! △
Director and Former
Chairman of the Board
Monsanto Company

H.J. HAYNES ! △
Senior Counselor
Bechtel Group, Inc.

AMORY HOUGHTON, JR. ! △
Chairman of the
Executive Committee
Corning Glass Works

DR. JUANITA M. KREPS ! △
Former United States
Secretary of Commerce

C. PETER McCOLOUGH ! △
Chairman of the
Executive Committee
Xerox Corporation

ROGER MILLIKEN ! △
Chairman of the Board
and Chief Executive Officer
Milliken & Company

CHARLES M. PIGOTT ! △
Chairman and President
PACCAR Inc

JOHN S. REED ! △
Chairman
Citicorp and Citibank, N.A.

DONALD V. SEIBERT ! △
Director and Former Chairman
of the Board
J. C. Penney Company, Inc.

FRANK SHRONTZ !
President and
Chief Executive Officer
The Boeing Company

DR. MARIO HENRIQUE SIMONSEN !
Vice Chairman
Brazilian Institute of Economics
The Getulio Vargas Foundation

LAWRENCE M. SMALL ! △
Sector Executive
Citicorp and Citibank, N.A.

DARWIN E. SMITH ! △
Chairman of the Board and
Chief Executive Officer
Kimberly-Clark Corporation

THOMAS C. THEOBALD ! △
Vice Chairman/
Sector Executive
Citicorp and Citibank, N.A.

FRANKLIN A. THOMAS ! △
President
The Ford Foundation

CITICORP SENIOR MANAGEMENT

Hans H. Angermueller
Robert D. Bailey
Richard S. Braddock
Michael A. Callen
Pei-Yuan Chia
Paul J. Collins
James D. Farley
Pamela P. Flaherty
David E. Gibson
Lawrence R. Glenn
Guenther E. Greinor
George E. Hagerman, Jr.
William J. Heron, Jr.
Edwin P. Hoffman
Donald S. Howard
Richard L. Huber
Daniel T. Jacobsen
Thomas E. Jones
Paul Kolterjahn
Richard J. Lehmann
Charles E. Long
Alan S. MacDonald
Anthony G. Mantzavinos
Victor Menezes
Glen R. Moreno
Patrick J. Mulhorn
John S. Reed
William R. Rhodes
Ira S. Rimerman
Peter H. Schuring
Lawrence M. Small
Thomas C. Theobald
David S. Van Poll

BOARDS OF DIRECTORS' COMMITTEES

Audit Committee: supervises independent audits of Citicorp and oversees the establishment of appropriate accounting policies for Citicorp and Citibank.

Members: Darwin E. Smith, Chairman; Colby H. Chandler, Dr. Lawrence E. Fouraker, John W. Hanley, C. Peter McColough, Charles M. Pigott, Frank Shrontz and Dr. Mario H. Simonsen.

The Audit Committee, whose members are all independent outside directors, all but two of whom serve jointly on the Examining Committee of Citibank, meets at least four times each year with the corporation's public accountants, its chief accounting officer and the chief auditor.

One of its principal functions is to review the audit plans and scope of examination of both the independent auditors and the corporation's internal audit division. In addition, it is the responsibility of this committee to recommend to the Board the annual appointment of the outside auditors. The Board accepted the recommendation that Peat, Marwick, Mitchell & Co., be retained for 1987 and this proposal will be presented to the stockholders for approval at the annual meeting.

During joint meetings with the Examining Committee, the findings of internal and external auditors and external regulatory agencies are reviewed and responses to their findings are monitored to insure appropriate follow-up measures are taken. These are reviewed with and without the presence of management, and in separate meetings with Peat, Marwick, Mitchell & Co., with no members of management present. The results of these examinations, along with our own findings, are reported regularly to the full Board.

It is also the function of this committee to oversee the accounting policies used in preparing the financial statements of Citicorp and Citibank.

Darwin E. Smith

DARWIN E. SMITH
Chairman

Committee On Directors: recommends qualified candidates for membership on the Boards of Directors of Citicorp and Citibank.

Members: John S. Reed, Chairman; Clifton C. Garvin, Jr., Dr. Juanita M. Kreps, Roger Milliken and Darwin E. Smith.

The Committee on Directors actively solicits recommendations for prospective directors from their current members and stockholders and, consistent with the needs of the corporation and representation of the various services and customers, recommends the approval of a candidate. The nominees are then presented to the full Board, which proposes the slate of directors to be submitted to the stockholders at the annual meeting. In addition, the committee is charged with keeping current and recommending changes in directors' compensation.

John S. Reed

JOHN S. REED
Chairman

Examining Committee: conducts a continuous examination into the affairs of Citibank.

Members: Darwin E. Smith, Chairman; Colby H. Chandler, Dr. Lawrence E. Fouraker, John W. Hanley, C. Peter McColough and Charles M. Pigott.

The Examining Committee, whose members are all independent outside directors, conducts a continuous examination into the affairs of Citibank and together with the Audit Committee, reports its findings to the Board. The Committee meets jointly with the Audit Committee, the chief accounting officer, the chief auditor and the corporation's public accountants.

The Examining Committee closely monitors examinations by the bank's principal regulator, the Comptroller of the Currency, as well as internal and external auditors, and follows up to insure appropriate action is taken by management in response.

Darwin E. Smith

DARWIN E. SMITH
Chairman

Executive Committee: provides backup for the Boards of Directors of Citicorp and Citibank.

Members: Citicorp: James H. Evans, Clifton C. Garvin, Jr., Harry J. Gray, Dr. Juanita M. Kreps, Donald V. Seibert and Franklin A. Thomas.
Citibank, N.A.: James H. Evans, Clifton C. Garvin, Jr., Harry J. Gray, C. Peter McColough, Donald V. Seibert and Franklin A. Thomas.
Ex Officio Members Both Committees: John S. Reed, Hans H. Angermueller, James D. Farley and Thomas C. Theobald.

This Committee acts on behalf of the Board of Directors should an urgent matter arise that requires a decision before the Board is next scheduled to meet. The Executive Committee has nearly all the powers of the Board of Directors, except for certain powers expressly reserved to the Board of Directors.

John S. Reed

JOHN S. REED
Chairman

Fiduciary Review Committee oversees the administration of the fiduciary powers of Citicorp.

Members: Donald V. Seibert, Chairman; Dr. Arthur Furer, Harry J. Gray, Amory Houghton, Jr., Roger Millikon and Franklin A. Thomas.

The Fiduciary Review Committee, which meets four times a year, monitors fiduciary activities conducted through subsidiaries and affiliates around the world. These activities include the management and administration of trust and agency accounts such as pension trusts and other employer-sponsored benefit plans, personal trusts, estates, investment advisory accounts and corporate trusteeships. The committee also reviews policies and controls in such areas of fiduciary responsibility as investment standards and conflicts of interest. The Committee was established by the Board of Citicorp in May 1985 to reflect the increased fiduciary activities conducted in vehicles other than Citibank and replaced a similar committee of the Board of Citibank.

Donald V. Seibert

DONALD V. SEIBERT
Chairman

Financial Institutions Acquisitions Committee of Citicorp and Citibank.

Members: Hans H. Angermueller, Richard S. Braddock, Paul J. Collins, James D. Farley, John S. Reed, Lawrence M. Small and Thomas C. Theobald.

This Committee, composed of directors of Citicorp and Citibank who are also senior executives of Citicorp/Citibank, has as its function the approval of the acquisition both domestically and internationally of financial services institutions. Approval by a majority of the members constitutes Committee action. Each acquisition is reported to the full Board of Directors of Citicorp at the meeting immediately following approval by the Committee and a summary of all acquisitions approved by the Committee is presented to the full Board of Directors annually.

John S. Reed

JOHN S. REED
Chairman

Personnel Committee oversees employee policies and programs of Citicorp and Citibank.

Members: Clifton C. Garvin, Jr., Chairman; Harry J. Gray, H.J. Haynes, Donald V. Seibert and Franklin A. Thomas.

The Personnel Committee reviews and approves compensation policy and other personnel-related programs to maintain an environment at Citicorp/Citibank that attracts and retains people of high capability, commitment and integrity. In addition, the committee oversees management development programs, succession planning, and employee benefit programs.

Clifton C. Garvin, Jr.

CLIFTON C. GARVIN, JR.
Chairman

Public Issues Committee reviews Citicorp's policies and performance on matters of public concern.

Members: Franklin A. Thomas, Chairman; Hans H. Angermueller, James H. Evans, Dr. Arthur Furer, John W. Hanley and Dr. Juanita M. Kreps.

The Public Issues Committee's mission is to assure that the public interest is maintained in the performance of our business roles and in achieving a more competitive business environment.

Franklin A. Thomas

FRANKLIN A. THOMAS
Chairman

STOCKHOLDER INFORMATION

NOTICE OF THE ANNUAL MEETING

The annual meeting of stockholders will be held on Tuesday, April 21, 1987, at 11 a.m., in the auditorium of Citicorp Headquarters at 399 Park Avenue, New York, NY.

A formal notice of this meeting, together with a proxy and proxy statement, has been included with this annual report. Stockholders are urged to sign and return their proxies promptly, to assure that the stock of the corporation will be represented as fully as possible at the meeting.

Citicorp has approximately 50,100 common stockholders of record. About [illegible] of the Citicorp shares entitled to vote were voted in person or by proxy at the last annual stockholders' meeting on April 15, 1986. Additionally, there are 173 Equity Holders of 5¾% Convertible Subordinated Notes Due 2000.

Additional copies of this annual report are available. Write to Citicorp, Public Affairs Division, 399 Park Avenue, 16th Floor, New York, NY 10043.

Copies of the written transcript and tape recording of the proceedings at Citicorp stockholder meetings are available to Citicorp stockholders at cost from the Office of the Secretary, 399 Park Avenue, New York, NY 10043.

Also available from the Public Affairs Division is *Corporate Giving*, which describes Citibank/Citicorp contributions to community, cultural, education, health, and urban revitalization organizations throughout the country.

Supplemental financial data are published quarterly and are available from Citicorp Investor Relations Department, 399 Park Avenue, New York, NY 10043.

TRANSFER AGENT

Citibank, N.A., Corporate Trust Services, Box 4855, New York, NY 10043

CO-TRANSFER AGENTS

The First National Bank of Chicago, Corporate Trust Department, One First National Plaza, Chicago, IL 60670

First Interstate Bank of California, 707 Wilshire Boulevard, Los Angeles, CA 90017

REGISTRAR

United States Trust Company of New York, 45 Wall Street, New York, NY 10005

CO-REGISTRARS

The First National Bank of Chicago, Corporate Trust Department, One First National Plaza, Chicago, IL 60670

First Interstate Bank of California, 707 Wilshire Boulevard, Los Angeles, CA 90017

JAPANESE SHAREHOLDER SERVICE ORGANIZATION AND PAYING BANK

The Yasuda Trust and Banking Company, Limited, Stock Transfer Department, Yasuda Seimei Daini Building, 10-1, Nishi Shinjuku 1-chome, Shinjuku-ku, Tokyo, Japan

CITICORP STOCK LISTED

New York Stock Exchange
Midwest Stock Exchange
Pacific Stock Exchange
London Stock Exchange
Amsterdam Stock Exchange
Tokyo Stock Exchange
Zurich Stock Exchange
Geneva Stock Exchange
Basel Stock Exchange

Citicorp/Citibank
399 Park Avenue
New York, NY 10043
212/559-1000

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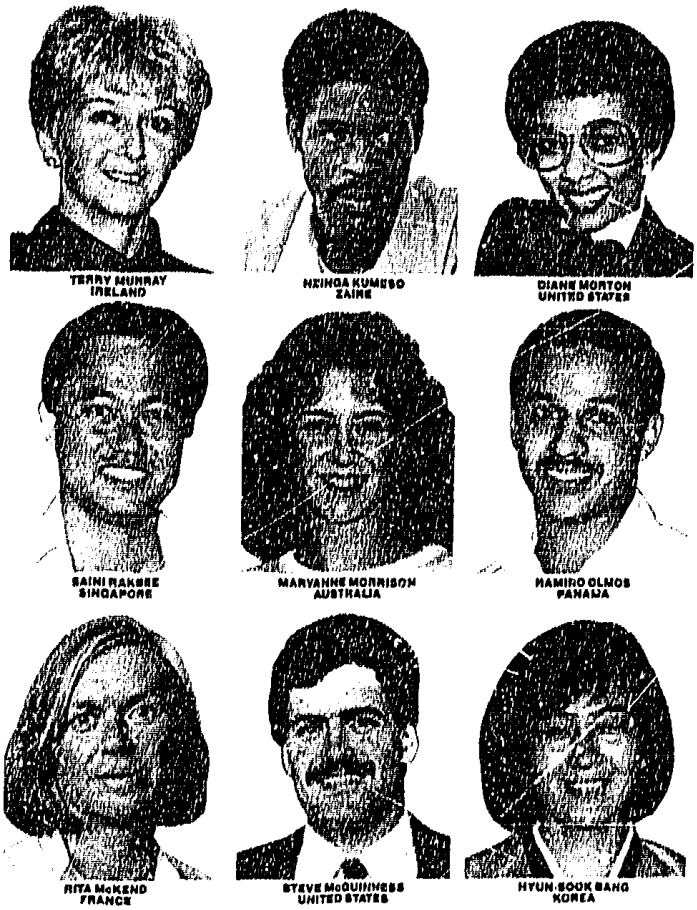
SERVICE EXCELLENCE AWARD

Service excellence

is what sets Citicorp apart from its competitors throughout the world. That excellence is the sum total of the achievements of many individual staff members. Here are but a few of the 1,768 who were honored with the Citicorp Service Excellence Award in 1986.



TERRY MURRAY
IRELAND

NZINGA KUMESO
ZAIRE

DIANE MORTON
UNITED STATES

SAINI RAKSEE
SINGAPORE

MARYANNE MORRISON
AUSTRALIA

RAMIRO OLMOS
PANAMA

RITA McKEND
FRANCE

STEVE McQUINNESS
UNITED STATES

HYUN-SOOK BANG
KOREA

G

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in the margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Amending Doc 185.

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1816]

Company number F1835

Name of company

* enter present corporate name

*CITIBANK, N.A.

notifies you that:

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ With effect from 21 April, 1987 the following persons are no longer Directors of Citibank, N.A: Mr. C.H. Chandler, Mr. J.H. Evans, Dr. L.E. Fouraker, Mr. H.J. Gray, Mr. J.W. Hanley, Dr. J. Krens, Mr. C.P. McColough, Mr. R. Milliken, Mr. C.M. Pigott and Mr. D.E. Smith

Note

Please read notes overleaf before completing this form

Particulars of director or secretary

Name (notes 3 and 6)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship† (note 5)	Nationality†

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official Use
General Section

Post room

COMPANIES REGISTRATION
27 MAY 1987
OFFICE
M 2

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [signature] [Person Authorised]† Date 22 May, 1987 † delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU

1985 Edition
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Companies G692 (I) (b)

G

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1 1815]

Company number F1835

Name of company

* CITIBANK, N.A.

* enter present corporate name

notifies you that:

Note

Please read notes overleaf before completing this form

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ With effect from 21 April, 1987 the following persons are no longer Directors of Citibank, N.A: Mr. C.H. Chandler, Mr. J.H. Evans, Dr. L.E. Fouraker, Mr. H.J. Gray, Mr. J.W. Hanley, Mr. H.J. Haynes, Dr. J. Kreps, Mr. C.P. McColough, Mr. R. Milliken and Mr. D.E. Smith

Particulars of director or secretary

Name (notes 3 and 6)

Former name(s) (note 3)

Address (note 4)

Business occupation or particulars of one other directorship† (note 5) | Nationality†

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand, London WC2R 1HB

Our Ref: L1512

For official Use
General Section

Post room

COMPANIES REGISTRATION
27 MAY 1987
M 11

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][Secretary][Person Authorised]† Date 20 May, 1987

† delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

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(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

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1986 Edition
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Companies G692 (I) (b)

COMPANIES FORM No. 692(1)(a)

Return of alteration in the charter, statutes, etc., of an oversea company

G

Please do not write in this margin

692(1)(a)

Pursuant to section 692(1)(a) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use: 1 8 9

Company number: F 1835

Name of company

* Enter corporate name

• CITIBANK, N.A.

† Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be.

Return of alteration in the† By-Laws

constituting or defining the constitution of the above company

Note

A copy of the alteration or a copy of the new deed, if one has been executed, and a translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified copy of Articles of Association as amended effective September 24, 1985 and By-Laws as amended effective April 20 1987.

‡ Delete as appropriate

Signed [Director] [Secretary] [Person Authorised]‡ Date 9 Oct 1987

D.M. Eichenberger

Note

The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger, VP
Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L151

For official use

New Companies Section

Post room

COMPANIES REGISTRATION
13 OCT 1987
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Companies G692(1)(a)

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CITIBANK

ARTICLES OF ASSOCIATION

AS AMENDED EFFECTIVE
SEPTEMBER 24, 1985

BY-LAWS

AS AMENDED

EFFECTIVE APRIL 20, 1987

COMPANIES REGISTRATION
13 OCT 1987
M OFFICE 56

CITIBANK, N.A.

CHARTER NO. 1461

Articles of Association

AS AMENDED EFFECTIVE SEPTEMBER 24, 1985

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

The Association, at any time and from time to time, may authorize and issue debt obligations whether or not subordinated without the prior approval of shareholders.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

The Board of Directors shall have the power to d[e]fine the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time: provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association: *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or wilful misconduct in the performance of his duties to the Association: And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

The undersigned duly qualified Secretary of the above-named Association, hereby certifies that the foregoing is a true and correct copy of the Articles of Association of said Bank.

SEPTEMBER 6, 1979

Subscribed and sworn before me this ... day of ...

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires July 31, 1980

CITIBA

BY

ART

MEETINGS O

SECTION 1. *Annual Meeti*
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d of Directors shall have the power to define the duties of the officers
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quire bonds from them and to fix the penalty thereof; to regulate the
which any increase of the capital of the Association shall be made; to
d administer the business and affairs of the Association; to make all
t it may be lawful for them to make; and generally to do and perform
t it may be legal for a board of directors to do and perform.

rd of Directors, without the approval of the shareholders, shall have
to change the location of the Head Office and of any branch or
f the Association subject to such limitations as from time to time may
d by law.

TH. The Association shall have succession from the date of its organi-
ificate until such time as it may be dissolved by the act of its share-
ning two-thirds of its stock, or until its franchise becomes forfeited by
iolation of law, or until terminated by either a general or a special Act
a or until its affairs be placed in the hands of a receiver and finally
by him.

I. The Board of Directors, or the holders of not less than ten percen-
stock of the Association, may call a special meeting of shareholders at
provided, however, that unless otherwise provided by law, not less
ays prior to the date fixed for any such meeting, a notice of the time,
purpose of the meeting shall be given by first-class mail, postage
all shareholders of record at their respective addresses as shown upon
of the Association.

. Any person, his heirs, executors, or administrators, may be indemni-
mbursed by the Association for reasonable expenses actually incurred
ion with any action, suit, or proceeding, civil or criminal, to which he
hall be made a party by reason of his being or having been a director,
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hat no person shall be so indemnified or reimbursed in relation to any
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o indemnified or reimbursed in relation to any matter in such action,
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a majority of the outstanding shares of the Association, or the Board of
acting by vote of directors not parties to the same or substantially the
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I. These Articles of Association may be amended at any regular or
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ndersigned duly qualified Secretary of C... ...ioner ...
...on, hereby certifies that the foregoing ...
...es of Association of said Bank.

...ed and sworn before me SEPTEMBER

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires July 31, 1989

CITIBANK, N.A.

BY-LAWS

ARTICLE I

Meetings of Shareholders

Section 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 55 Wall Street, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of April of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

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2. *Special Meetings.* Except as otherwise specifi-ided by statute, special meetings of the shareholdd called for any purpose at any time by the Board s or by the holders of not less than ten per cent of f the Association. Every such special meeting, rwise provided by law, shall be called by mailing, paid, not less than ten days prior to the date fixed eeting, to each shareholder at his address appearbooks of the Association, a notice stating the pur- meeting. Such notice may be waived in writing r, or at, such meeting.

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ARTICLE II

Directors

Section 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

Section 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

Section 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of

[*Page Three*

the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

SECTION 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence any Vice Chairman who is a member of the Board of Directors; and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary. Members of the Board of Directors may participate in such special meetings through use of conference telephone or similar communicatic is equipment, so long as all members participating in such meetings can hear one another.

SECTION 6. *Notice.* Notice of any special meeting or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, or by telephone on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise

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…5. *Special Meetings.* A special meeting of the …irectors may be called at any time by the Chair… …is absence any Vice Chairman who is a member …d of Directors; and on the written request of any …bers of the Board such meeting shall be called by … officers or by the Secretary. Members of the …irectors may participate in such special meetings …e of conference telephone or similar communica… …pment, so long as all members participating in …ngs can hear one another.

… 6. *Notice.* Notice of any special meeting or of …nd place or the cancellation of any regular meet… …Board of Directors may be given in writing, either … the same to each director, at his address appear… … books of the Association on or before the second …ding the meeting, or by telegraphing the same to …ch address, or delivering the same to him per… … leaving the same at his place of business, or at his … or by telephone on or before the day preceding the … Notice need not be given to any director if waived … writing.

…N 7. *Quorum.* A majority of the directors shall … a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to

be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall hold a regular meeting without notice at the time and place appointed for each regular meeting of the Board of Directors at which a quorum of the Board shall not be in attendance at said time and place, unless such regular meeting of the Board is cancelled as provided in Article II, Section 4. The directors present at such time and place, if there be not less than three, shall constitute the Executive Committee for such regular meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. A special meeting of the Executive Committee may be called at any time by the Chairman, or in his absence any Vice Chairman or on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary. Notice of any such special meeting shall be given to each director in the manner provided in Article II, Section 6, for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors and shall be sufficient even though such notice refers only to a meeting of the Board of Directors. The directors who shall attend at the time and place fixed in such notice, if there be not less than three, shall constitute the Executive Committee for such special meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. Executive Committee meetings may be held through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

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ON 2. *Executive Committee; Membership; Meetings;* The Executive Committee shall hold a regular without notice at the time and place appointed for ular meeting of the Board of Directors at which a of the Board shall not be in attendance at said time e, unless such regular meeting of the Board is can- s provided in Article II, Section 4. The directors at such time and place, if there be not less than all constitute the Executive Committee for such reg- ting, and the vote of a majority of the Committee as tuted shall suffice for the transaction of business. A neeting of the Executive Committee may be called at e by the Chairman, or in his absence any Vice Chair- on the written request of any three members of the uch meeting shall be called by one of said officers or Secretary. Notice of any such special meeting shall to each director in the manner provided in Article on 6, for the giving of notice, or the waiver thereof, cial meeting of the Board of Directors and shall be t even though such notice refers only to a meeting of rd of Directors. The directors who shall attend at the d place fixed in such notice, if there be not less than all constitute the Executive Committee for such spe- ting, and the vote of a majority of the Committee as tituted shall suffice for the transaction of business. v^ Committee meetings may be held through use of nce telephone or similar communications equipment, as all members participating in such meetings can another.

SECTION 3. *Examining Committee.* There may be an Examining Committee composed of not less than three members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine. Members of such other committees may participate in meetings of those committees through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another. Each such committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors, and any action taken by the Board with respect thereto shall be entered into the minutes of the Board. Committees composed of non-members of the Board may also be appointed to consult with the members regularly

[*Page Seven*

or from time to time under such rules as the Board may determine but in no event may such Committees have the power of final decision in matters concerning the business of the Association.

ARTICLE IV

Officers and Agents

Section 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

Section 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

Section 3. *Vice Chairmen/Sector Executives.* The Board of Directors may appoint one or more Vice Chairmen/Sector Executives of the Association. In the absence of the Chairman and the President, and in the order of their appointment to the office, the Vice Chairmen shall exercise the powers and duties of the Chairman related to Shareholder Meetings, meetings of the Board of Directors, and Executive

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t in no event may such Committees have the
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ARTICLE IV

Officers and Agents

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etings of the Board of Directors, and Executive Committee of the Board of Directors. In the absence of the Chairman, the President and the Vice Chairmen, the Sector Executive, or, if more than one, that Sector Executive who has the longest total service with the Association will act in the capacities defined in this Section 3 above. The Vice Chairmen/Sector Executives shall have general executive powers as well as the specific powers conferred by these By-laws. Each of them shall also have such powers and duties as may from time to time be assigned by the Board of Directors or the Chairman.

Section 4. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association, each of whom shall exercise such powers and perform such duties as may be prescribed or further prescribed from time to time by the Board of Directors, the Chairman, or any Sector Executive. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

Section 5. *Executive Vice Presidents/Group Executives.* The Board of Directors may appoint one or more Executive Vice Presidents/Group Executives of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, or any Sector Executive. Each Executive Vice President/Group Executive shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may

from time to time be assigned to him by the Board of Directors, the Chairman, or any Sector Executive.

SECTION 6. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 7. *Chairman Economic Policy Committee.* The Board of Directors may appoint a Chairman Economic Policy Committee who shall have general responsibilities for monitoring the business and financial trends in the United States and abroad and to provide the Association with forecasts and advice upon important developments. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the

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y from time to time be assigned to him by the
Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 9. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman, or any Sector Executive.

SECTION 10. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors.

SECTION 11. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to officers of the rank of Senior Vice President or higher, as designated by the Chairman or any Sector Executive, authority to appoint, dismiss and fix salaries to be paid Vice Presidents within the respective officers' areas of supervision. Each Vice President shall have specific powers conferred by these By-Laws and

such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 12. *Deputy Chief Auditors.* The Board of Directors may appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Chief Auditor or by the Board of Directors.

SECTION 13. *Other Officers.* The Board of Directors may establish senior officer positions equivalent to and having duties and powers the same as those officers mentioned in the preceding Sections of this Article IV. The Board of Directors may also appoint one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers and attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, or any Sector Executive may appoint, dismiss, and fix the salaries to be paid any such officers and attorneys-in-fact other than officers in the Chief Auditor's Division; and like authority may be exercised by such officer having supervision of a major administrative unit, group, division, or department of the Association as may be specified by the Board of Directors, with respect to any attorneys-in-fact otherwise employed by the Association or any affiliated corporate entity, and with respect to such officers if assigned to such administrative unit, group, division, or department. The officers and attorneys-in-fact so appointed shall respectively exercise such powers and perform such duties as pertain to

powers and duties as may from time to time be him by the Board of Directors, the Chairman, t, or any Sector Executive.

12. *Deputy Chief Auditors.* The Board of Direc- point one or more Deputy Chief Auditors. He such of the powers of the Chief Auditor as may to, and perform such further duties as may be on, or assigned to, him from time to time by the or or by the Board of Directors.

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SECTION 14. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the Chairman, the President, any Sector Executive, or any other officer of the Association authorized by any of them, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

SECTION 15. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the foreign branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

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SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board or the Chairman may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

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2. *Management.* Subject to the general super- control of the Board of Directors and the Chair- ffairs of the domestic branches shall be under the supervision and control of such officer as the he Chairman may designate and subject to such regulations as such officer shall promulgate from e; and such officer is authorized to assign to any ranch such officers, agents, and employees as he necessary to conduct the business thereof, and to em as he may find proper.

ARTICLE VI

Foreign Branches

1. *Establishment.* The Board of Directors shall ary power to establish, to discontinue, or, from e, to change the location of, any branch in a for- ry or in a dependency of the United States of subject to such limitations as from time to time vided by law.

2. *Management.* Subject to the general super- control of the Board of Directors and the Chair- ffairs of the foreign branches shall be under the supervision and control of such officer as the he Chairman may designate and subject to such regulations as such officer shall promulgate from e; and such officer is authorized to assign to any nch such officers, agents, and employees as he necessary to conduct the business thereof, and to em as he may find proper.

Section 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

Section 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

Fiduciary Powers

Section 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors or the Chairman, and each such department may be divided into subdivisions having such titles as the Chairman may from time to time designate. All the books and records of

such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors and the Chairman, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman or such officer as he may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman, the President, any Vice Chairman/Sector Executive,

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ON 2. *Management.* Subject to the general super- d control of the Board of Directors and the Chair- l subject to the general supervision and control of r having supervision of that major administrative he Association of which any trust department may each trust department shall be under the immediate ion and control of the officer in charge thereof and o such rules and regulations as he shall promulgate ne to time; and the Chairman or such officer as he ignate is authorized to assign to any trust depart- any subdivision thereof such officers, agents, and es as he may deem necessary to conduct the business nd to reassign them as he may find proper. The n charge of each trust department and each subdivi- reof shall cause the policies and instructions of the o be carried out with respect to the trusts and under their supervision and shall supervise the due nce of such trusts and agencies in accordance with pursuant to the terms thereof.

ON 3. *Authentication and Signature of Instru-* All authentications or certificates by the Association, ee under any mortgage, deed of trust or other instru- uring bonds, debentures, notes, or other obligations rporation, and all certificates as Registrar or Trans- t and all certificates of deposit for stocks and bonds, rim certificates and trust certificates, may be signed ersigned in behalf of the Association by the Chair- e President, any Vice Chairman/Sector Executive, any Senior Executive Vice President, any Group Executive/Executive Vice President, any Senior Vice President, the Secretary, any Vice President, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

Stock and Stock Certificates

Section 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

Section 2. *Stock Certificates.* Certificates of stock shall bear the signature of the Chairman (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

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ARTICLE VIII

Stock and Stock Certificates

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gents and registrars or co-registrars of the stock of
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2. *Stock Certificates.* Certificates of stock shall
gnature of the Chairman (which may be engraved,
impressed) and shall either (a) bear the engraved,
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gent of the stock of the Association and be regis-
a duly appointed registrar or co-registrar of the
he Association, or (b) be signed manually by the
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of the certificate properly endorsed.

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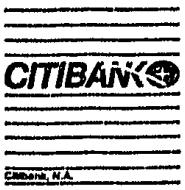
Section 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

Corporate Seal

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:



ARTICLE X

Miscellaneous Provisions

Section 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

Section 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, or any Vice Chairman/Sector Executive, or any Senior Executive Vice President, or any Executive Vice President/Group Executive, or the Chairman Credit Policy Committee, or the Chairman Economic Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

Section 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and

ARTICLE X

Miscellaneous Provisions

N 1. *Fiscal Year.* The fiscal year of the Associa- be the calendar year.

N 2. *Execution of Instruments.* All agreements, s, mortgages, deeds, conveyances, transfers, certifi- larations, receipts, discharges, releases, satisfac- lements, petitions, schedules, accounts, affidavits, dertakings, proxies and other instruments or docu- ay be signed, executed, acknowledged, verified, or accepted in behalf of the Association by the , the President, or any Vice Chairman/Sector , or any Senior Executive Vice President, or any Vice President/Group Executive, or the Chairman licy Committee, or the Chairman Economic Policy e, or any Senior Vice President, or the Secretary, or Auditor, or any Vice President, or any Deputy ditor, or anyone holding a position equivalent to ing pursuant to provisions of these By-Laws, or, if tion with the exercise of any of the fiduciary pow- Association, by any of said officers or by any Sen- Officer. Any such instruments may also be exe- knowledged, verified, delivered or accepted in the Association in such other manner and by such ers as the Board of Directors may from time to t. The provisions of this Section 2 are supplemen- y other provisions of these By-Laws.

N 3. *Records.* The Articles of Association, the By- the proceedings of all meetings of the sharehold- oard of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

Section 4. *Banking Hours.* The Head Office of the Association shall be open for business from 10 o'clock, A. M., to 3 o'clock, P. M., on each day of the year, excepting Sundays and such days or parts of days as may be recognized by the laws of the State of New York as legal holidays.

ARTICLE XI

By-Laws

Section 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

Section 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

Section 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of CITIBANK, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature and the seal of the said Bank in the City of New York, on this 16th day of [illegible] 1987.

Secretary

WITNESSES:

[illegible]

Donna Marie Stevansen

UNITED STATES OF AMERI
STATE OF NEW YORK
COUNTY OF NEW YORK,

On this ..... /
me, a Notary Public in
States of America, and
Christopher C. York, do
known, and known to m
and Secretary of its Bo
presence, and in that of
certificate with respect t
declared on oath that he
custody. I hereby attes
nesses are known to m
seal affixed to said cert
Bank, and that the said
to affix the same to said

...rsigned, duly qualified and acting Secretary of ... and as such officer the official custodian of its ... certifies the foregoing By-Laws are the By-... Bank, and all of them, as now lawfully in force ...

...ONY WHEREOF, I have hereunto affixed my offi-... and the seal of the said Bank, in the City of ... this 16th day of September, 1987.

Secretary

UNITED STATES OF AMERICA,
STATE OF NEW YORK } ss:
COUNTY OF NEW YORK,

On this 16th day of SEPTEMBER, 1987, before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Christopher C. York, domiciled in New York, New York, to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Christopher C. York is duly authorized to affix the same to said certificate.

Notary Public

PATRICK A. WALSH
Notary Public, State of New York
No. 24-4144415
Qualified in Kings County
Certificate filed in New York County
Commission Expires July 31, 1989

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1187]

Company number F1835

Name of company

* enter present corporate name

* CITIBANK, N.A.

notifies you that:

Note

Please read notes overleaf before completing this form

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ As at 1 August, 1987 Mr. T.C. Theobald resigned as a Director of Citibank, N.A. and Mr. M.A. Callen was appointed a Director thereof.

Particulars of director or secretary

Name (notes 3 and 6) Michael A. Callen

Former name(s) (note 3)

Address (note 4) 18 Sawmill Lane, Greenwich, Connecticut, USA

Business occupation or particulars of one other directorship (note 5)	Nationality†
Full-time Executive of Citibank, N.A.	American

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Miss C.V. McFarlane
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official Use
General Section

Post room

COMPANIES REGISTRATION
26 AUG 1987
M OFFICE 2

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signature [Director][Secretary][Person Authorised]† Date 25 August 1987 † delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

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10th Edition
F6383 7-85

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30/11/87

COMPANIES FORM No. 692(1)(c)

Return of alteration in the names or addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

692(1)(c)

Pursuant to section 692(1)(c) of the Companies Act 1985

Please do not write in this margin

Note: The time within which a return containing the particulars of alteration is to be delivered to the Registrar is twenty one days after the making of such alterations.

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [L1818]

Company number F1835

*Enter corporate name

Name of Company

* CITIBANK, N.A.

notifies you of the following alteration(s) in the name(s) or address(es) of persons resident in Great Britain authorised to accept service on behalf of the company

Mr. C.B. Young of Citibank House, 336 Strand, London WC2R 1HB (a citizen of the USA) is replaced by:-

MR. MICHAEL T. WELCH (a citizen of the USA) of Citibank House 336 Strand, London WC2R 1HB

and there is no change in respect of:-
MR. DENIS M. EICHENBERGER (a citizen of Switzerland) of Citibank House, 336 Strand, London WC2R 1HB

†Delete as appropriate

Signed [Director/~~Secretary~~][Person Authorised]† Date 15 Sept. 1987

Michael T. Welch

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London, WC2R 1HB

Our Ref: L1512

For official use
General Section

Post room

COMPANIES REGISTRATION
18 SEP 1987
OFFICE 69
M

oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane London SE1 4PU

Companies G692(1)(c)

1988 Edition
F5610 10-88

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use

Company number F1835

Name of company

* enter present corporate name

* CITIBANK, N.A.

Note

Please read notes overleaf before completing this form

notifies you that:

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ Mr. F.A. Thomas has changed his address - see below

Particulars of director or secretary

† this information is not required in the case of a secretary

Name (notes 3 and 6) Franklin A. Thomas	
Former name(s) (note 3)	
Address (note 4) NOW:320 East 72nd Street, Apt.16B New York, NY 10021	
Business occupation or particulars of one other directorship† (note 5) President, The Ford Foundation	Nationality† American

Presentor's name address and reference (if any):

Miss C.V. McFarlane
Citibank, N.A.
336 Strand
London WC2R 1HB

Ref: L1512

For official Use
General Section

7 APR 1988

Post room

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][Secretary][Person Authorised]† Date 6 April, 1988 † delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

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1986 Edition
F6363 7-86
★ ★ ★ ★ ★

Companies G692 (I) (b)

DIRECTORS

CITIBANK, N.A.
as of December 31, 1987

NAME	RESIDENTIAL ADDRESS	NATIONALITY
H.H. Angermueller	One Surrey Road Summit, New Jersey 07901	U.S.A
R.S. Brodock	10 Gracie Square Apt. 9-F New York, NY 10028	"
M.A. Callen	18 Sawmill Lane Greenwich, Connecticut 06830	"
P.J. Collins	950 Park Avenue New York, NY 10028	"
J.D. Farley	1 Pheasant Lane Greenwich, Connecticut 06830	"
C.C. Garvin, Jr.	33 Baldwin Farms Road South Greenwich, Connecticut 06830	"
H.J. Haynes	No.1 North Road PO Box 1669 Ross, California 94957	"
J.S. Reed	7 Parsonage Road Greenwich Connecticut 06830	"
D.V. Seibert	34 Gallinson Drive Murray Hill, New Jersey 07974	"
L.M. Small	16 Sutton Place New York, NY 10022	"
F.A. Thomas	320 East 72nd Street Apt. 16B New York, NY 10021	"

C.R.O. Edinburgh
7 APR 1988

G

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [ ]

Company number F1835

Name of company

* CITIBANK, N.A.

* enter present corporate name

Note

Please read notes overleaf before completing this form

notifies you that:

§ Mr. F.A. Thomas has changed his address - see below.

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

Particulars of director or secretary

Name (notes 3 and 6)	Franklin A. Thomas
Former name(s) (note 3)	
Address (note 4)	NOW: 320 East 72nd Street, Apt.16B New York, NY 10021
Business occupation or particulars of one other directorship† (note 5)	Nationality†
President, The Ford Foundation	American

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Miss C.V. McFarlane
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1500(A)

For official Use
General Section | Post room

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][Secretary][Person Authorised]† Date 6 April, 1988

† delete as appropriate

Notes

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3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

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(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

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5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that dirrectorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

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1988 Edition
F5303 7-86
* * * * *

Companies G692 (I) (b)

DIRECTORS

CITIBANK, N.A.
as of December 31, 1987

NAME	RESIDENTIAL ADDRESS	NATIONALITY
H.H. Angermueller	One Surrey Road Summit, New Jersey 07901	U.S.A
R.S. Braddock	10 Gracie Square Apt. 9-F New York, NY 10028	"
M.A. Callen	18 Sawmill Lane Greenwich, Connecticut 06830	"
P.J. Collins	950 Park Avenue New York, NY 10028	"
J.D. Farley	1 Pheasant Lane Greenwich, Connecticut 06830	"
C.C. Garvin, Jr.	33 Baldwin Farms Road South Greenwich, Connecticut 06830	"
H.J. Haynes	No.1 North Road PO Box 1669 Ross, California 94957	"
J.S. Reed	7 Parsonage Road Greenwich Connecticut 06830	"
D.V. Seibert	34 Gallinson Drive Murray Hill, New Jersey 07974	"
L.M. Small	16 Sutton Place New York, NY 10022	"
F.A. Thomas	320 East 72nd Street Apt. 16B New York, NY 10021	"

G

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use: 7913

Company number: F1835

Name of company

* CITIBANK, N.A.

* enter present corporate name

notifies you that:

§ Mr. Charles Edward Long has been appointed Company Secretary in place of Mr. C.C. York.

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

Particulars of ~~director or~~ secretary

Name (notes 3 and 6)	Charles Edward Long
Former name(s) (note 3)	
Address (note 4)	14 Maple Way, Armonk, New York 10504, USA
Business occupation or particulars of one other directorship† (note 5)	Executive Vice President and Secretary of Citibank, N.A.
Nationality†	USA

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand,
London WC2R 1HB

Our Ref: L1512

For official Use
General Section

Post room

COMPANIES REGISTRATION
10 JUN 1983
OFFICE

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][Secretary][Person Authorised]† Date 9 June, 1988 † delete as appropriate

Denis M. Eichenberger

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

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(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

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6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

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Companies G692 (f) (b)

F1835.

CONSOLIDATED BALANCE SHEET

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	DECEMBER 31 1988	DECEMBER 31 1987
Assets		
Cash and Due from Banks	$ 4,818	$ 5,020
Deposits at Interest with Banks	10,706	14,706
Investment Securities (Market value $15,464 in 1988 and $15,438 in 1987) (Note 1)	15,217	15,306
Trading Account Assets	3,924	5,594
Federal Funds Sold and Securities Purchased Under Resale Agreements	6,441	7,552
Loans, Net (Notes 2, 3, and 4)		
Consumer (Net of unearned discount of $2,685 in 1988 and $3,044 in 1987)	$ 90,356	$ 79,705
Commercial (Net of unearned discount of $490 in 1988 and $598 in 1987)	58,841	58,210
Loans, Net of Unearned Discount	$149,197	$137,915
Allowance for Possible Credit Losses	(4,205)	(4,618)
Total Loans, Net	$144,992	$133,297
Customers' Acceptance Liability	3,839	5,219
Premises and Equipment, Net (Note 5)	3,337	3,365
Interest and Fees Receivable	3,446	3,223
Other Assets (Note 6)	10,944	10,049
TOTAL	$207,666	$203,430
Liabilities		
Non-Interest-Bearing Deposits in Domestic Offices	$ 12,190	$ 11,241
Interest-Bearing Deposits in Domestic Offices	50,819	44,731
Non-Interest-Bearing Deposits in Overseas Offices	4,065	4,004
Interest-Bearing Deposits in Overseas Offices	56,998	59,585
Total Deposits	$124,072	$119,561
Purchased Funds and Other Borrowings (Note 7)	32,889	31,690
Acceptances Outstanding	3,856	5,250
Accrued Taxes and Other Expenses (Note 15)	5,037	4,349
Other Liabilities	7,950	9,632
Long-Term Debt (Note 8)	20,709	21,076
Subordinated Capital Notes (Note 9)	3,249	3,248
Redeemable Preferred Stock (Note 10)	40	40
Stockholders' Equity		
Preferred Stock (Note 11)	$ 1,590	$ 1,590
Common Stock ($1.00 par value) (Note 12) Issued Shares: 346,322,787 in 1988 and 313,995,863 in 1987	346	344
Surplus	2,901	2,866
Retained Earnings	5,451	4,215
Common Stock in Treasury, at Cost Shares: 27,260,266 in 1988 and 27,767,138 in 1987	(424)	(431)
Total Stockholders' Equity	$ 9,864	$ 8,584
TOTAL	$207,666	$203,430

Accounting policies and explanatory notes on pages 49-65 form an integral part of the financial statements.

CITIBANK /L20/728003.

COMPANIES HOUSE
13 APR 1989
M 12

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY — CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	1988	1987	1986
Preferred Stock (Note 11)			
Balance at Beginning of Year	$1,500	$ 1,365	$1,215
Issuance of Stock	—	225	150
BALANCE AT END OF YEAR	$1,500	$ 1,590	$1,365
Common Stock (Note 12)			
Balance at Beginning of Year	$ 344	$ 602	$ 599
Shares: 343,005,863 in 1988, 150,577,830 in 1987, and 142,265,429 in 1986			
Issuance of Stock			
Shares: 20,000,000 in 1987 and 5,000,000 in 1986	—	20	20
Issuance of Stock Under Savings Incentive, Stock Option, Stock Purchase, and Restricted Stock Plans and Conversion of Convertible Notes (Notes 8 and 14).	2	3	13
Shares: 2,326,924 in 1988, 1,547,936 in 1987, and 3,312,401 in 1986			
Issuance Pursuant to Two-for-One Stock Split (Note 12)	—	172	—
Shares: 171,070,075			
Reduction of Par Value	—	(453)	—
Shares: 346,322,787 in 1988, 343,005,863 in 1987, and 150,577,830 in 1986			
BALANCE AT END OF YEAR	$ 346	$ 344	$ 602
Surplus			
Balance at Beginning of Year	$2,866	$ 1,421	$1,056
Preferred Stock Issuance Cost	—	(3)	(2)
Issuance of Common Stock	—	1,110	265
Issuance of Stock Under Savings Incentive, Stock Option, Stock Purchase, Executive Incentive Compensation, and Restricted Stock Plans and Conversion of Convertible Notes (Notes 8 and 14)	44	52	108
Issuance Pursuant to Two-for-One Stock Split (Note 12)	—	(172)	—
Increase Due to Reduction of Par Value	—	453	—
Restricted Stock Grants, Net of Amortization (Note 14)	(9)	(1)	(8)
BALANCE AT END OF YEAR	$2,901	$ 2,866	$1,421
Retained Earnings			
Balance at Beginning of Year, as Previously Reported	$4,441	$ 6,059	$5,300
Cumulative Adjustment for SFAS No. 91 (Note 20)	(226)	(182)	(152)
Balance at Beginning of Year, as Adjusted	$4,215	$ 5,877	$5,148
Net Income (Loss)	1,858	(1,182)	1,028
Cash Dividends Declared (Including preferred dividends of $101 in 1988, $88 in 1987, and $71 in 1986; and redeemable preferred dividends of $4 in 1988, 1987, and 1986) (Note 12)	(566)	(471)	(325)
Foreign Currency Translation (Accumulated amount of ($142) at December 31, 1988)	(56)	(9)	26
BALANCE AT END OF YEAR	$5,451	$ 4,215	$5,877
Common Stock in Treasury, at Cost			
Balance at Beginning of Year	$ (431)	$ (387)	$ (375)
Shares: 27,767,138 in 1988, 12,962,986 in 1987, and 12,888,539 in 1986			
Treasury Stock Transactions, at Cost	7	(44)	(12)
Shares: (506,872) in 1988, 1,931,183 in 1987, and 74,447 in 1986			
Issuance Pursuant to Two-for-One Stock Split (Note 12).	—	—	—
Shares: 12,872,069			
Shares: 27,260,266 in 1988, 27,767,138 in 1987, and 12,962,986 in 1986			
BALANCE AT END OF YEAR	$ (424)	$ (431)	$ (387)
Total Stockholders' Equity			
Balance at Beginning of Year	$8,584	$ 8,878	$7,613
Changes During the Year, Net	1,280	(294)	1,265
BALANCE AT END OF YEAR	$9,864	$ 8,584	$8,878

Accounting policies and explanatory notes on pages 46-74 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS — CITICORP AND SUBSIDIARIES

In Millions of Dollars	1988
Cash Flows from Operating Activities	
Net Income	$ 1,668
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Provision for Possible Credit Losses	$ 1,330
Depreciation and Amortization of Premises and Equipment	611
Amortization of Goodwill	88
Net (Accretion) of Discounts or Amortization of Premiums	(1,022)
Unrealized Marked-to-Market Adjustments	(83)
Provision for Deferred Taxes	349
Extraordinary Item – Carryforward Tax Benefits (Note 15)	(160)
Other, Net	352
Total Adjustments	$ 1,465
Net Decrease in Trading Account Assets	$ 1,670
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 4,093
Cash Flows from Investing Activities	
Placement of Deposits at Interest with Banks	$ (677,326)
Maturing Deposits at Interest with Banks	500,654
Purchases of Investment Securities	(29,102)
Sales and Maturities of Investment Securities	28,708
Net Decrease in Federal Funds Sold and Securities Purchased Under Resale Agreements	1,111
Net (Increase) in Credit Card Receivables	(8,109)
Longer Term Loans Made to Customers	(560,220)
Repayments of Principal on Longer Term Loans	406,640
Loan Sales	71,275
Capital Expenditures on Premises and Equipment	(1,065)
Proceeds from Sale of Premises and Equipment	356
NET CASH USED IN INVESTING ACTIVITIES	$ (15,160)
Cash Flows from Financing Activities	
Net Increase in Depository Accounts	$ 4,452
Proceeds from the Issuance of Certificates of Deposit	3,053,827
Repayments of Certificates of Deposit	(3,049,570)
Net (Decrease) in Securities Sold Under Repurchase Agreements and Federal Funds Purchased	(2,013)
Proceeds from Issuance of Commercial Paper and Funds Borrowed with Original Maturities of Less Than One Year	1,192,564
Repayment of Commercial Paper and Funds Borrowed with Original Maturities of Less Than One Year	(1,188,403)
Proceeds from Issuance of Long-Term Debt	4,626
Repayment of Long-Term Debt	(4,700)
Proceeds from Issuance of Common Stock	36
Dividends Paid	(564)
NET CASH PROVIDED BY FINANCING ACTIVITIES	$ 10,243
Effect of Exchange Rate Changes on Cash	$ (207)
Net (Decrease) in Cash and Due from Banks	$ (211)
Cash and Due from Banks at Beginning of Year	$ 5,029
CASH AND DUE FROM BANKS AT END OF YEAR	$ 4,818
Supplemental Disclosure of Cash Flow Information:	
Cash Paid During the Year for:	
Interest	$ 10,119
Income Taxes	$ 884

Accounting policies and explanatory notes on pages 48-65 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION — CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	1987	1986
Funds Provided		
Operations:		
Net Income (Loss)	$ (1,192)	$ 1,028
Non-Cash Charges		
Depreciation and Amortization of Premises and Equipment	560	450
Provision for Possible Credit Losses	4,410	1,825
Funds Provided from Operations	$ 3,788	$ 3,303
Increase in		
Deposits	4,872	9,730
Purchased Funds and Other Borrowings	—	7,115
Long-Term Debt	381	4,379
Subordinated Capital Notes	600	749
Preferred Stock	225	150
Proceeds from Sale of Common Stock	1,136	285
Decrease in		
Investment Securities and Trading Account Assets	786	—
Federal Funds Sold and Securities Purchased Under Resale Agreements	—	655
Cash and Due from Banks and Deposits at Interest with Banks	1,136	—
Other, Net	1,039	—
TOTAL	$13,965	$26,366
Funds Used		
Cash Dividends Declared	$ 471	$ 325
Increase in		
Cash and Due from Banks and Deposits at Interest with Banks	—	2,962
Investment Securities and Trading Account Assets	—	5,721
Federal Funds Sold and Securities Purchased Under Resale Agreements	1,864	—
Loans	8,841	15,932
Premises and Equipment	748	1,083
Decrease in		
Purchased Funds and Other Borrowings	2,041	—
Other, Net	—	343
TOTAL	$13,965	$26,366

Accounting policies and explanatory notes on pages 48-65 form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

CITIBANK, N.A. AND SUBSIDIARIES

IN MILLIONS OF DOLLARS	DECEMBER 31 1988	DECEMBER 31 1987
Assets		
Cash and Due from Banks	$ 3,039	$ 4,193
Deposits at Interest with Banks	10,488	14,767
Investment Securities (Market value $11,101 in 1988 and $12,457 in 1987)	10,947	12,328
Trading Account Assets	2,413	3,303
Federal Funds Sold and Securities Purchased Under Resale Agreements	6,057	7,407
Loans (Net of unearned discount of $2,507 in 1988 and $2,362 in 1987)	$ 97,141	$ 93,650
Less: Allowance for Possible Credit Losses	(3,248)	(3,528)
Loans, Net	$ 93,893	$ 90,122
Customers' Acceptance Liability	4,064	5,441
Premises and Equipment, Net	2,040	2,119
Interest and Fees Receivable	2,553	2,379
Other Assets	6,226	5,982
TOTAL	$142,920	$148,031
Liabilities		
Non-Interest-Bearing Deposits in Domestic Offices	$ 9,933	$ 9,870
Interest-Bearing Deposits in Domestic Offices	34,185	30,122
Non-Interest-Bearing Deposits in Overseas Offices	4,012	3,972
Interest-Bearing Deposits in Overseas Offices	54,315	59,370
Total Deposits	$102,445	$103,134
Purchased Funds and Other Borrowings	16,416	18,132
Acceptances Outstanding	4,081	5,472
Accrued Taxes and Other Expenses	2,709	2,551
Other Liabilities	5,535	7,524
Long-Term Debt	3,466	3,670
Stockholder's Equity (Note 22)		
Capital Stock ($20.00 par)	$ 751	$ 751
Outstanding Shares: 37,534,553 in 1988 and 1987		
Surplus	3,220	3,203
Retained Earnings	4,197	3,594
Total Stockholder's Equity	$ 8,168	$ 7,548
TOTAL	$142,920	$148,031

Accounting policies and explanatory notes on pages 49-65 form an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

1. INVESTMENT SECURITIES

IN MILLIONS OF DOLLARS AT YEAR END	1988 CARRYING VALUE	1988 MARKET VALUE	1987 CARRYING VALUE	1987 MARKET VALUE
U.S. Treasury and Federal Agency	$ 3,406	$ 3,400	$ 3,627	$ 3,686
State and Municipal	1,776	1,762	1,793	1,730
Other	10,036	10,302	9,976	10,022
TOTAL	**$15,217**	**$15,464**	$15,396	$15,438

Interest and Dividends on Investment Securities

IN MILLIONS OF DOLLARS FOR THE YEAR	1988	1987	1986
U.S. Treasury and Federal Agency	$ 284	$ 288	$ 236
State and Municipal (Substantially all exempt from federal income tax)	134	124	65
Other	816	824	732
TOTAL	**$1,234**	$1,236	$1,033

2. CONSUMER LOANS

The consumer loan category represents loans managed by Citicorp's Individual Banking business. This is generally defined as including loans to individual consumers throughout the world to meet their borrowing requirements for housing, automobiles, and other personal and family purposes. The consumer category also includes indirect types of consumer finance, such as dealer floor-plan lending.

Consumer Loans Outstanding

IN MILLIONS OF DOLLARS AT YEAR END	1988	1987
In Domestic Offices		
Mortgage and Real Estate[1]	**$36,343**	$31,523
Installment, Revolving Credit, and Other Consumer Loans	**33,222**	31,479
Lease Financing	**505**	347
	$70,070	$63,349
In Overseas Offices		
Mortgage and Real Estate[1]	**$ 9,207**	$ 7,130
Installment, Revolving Credit, and Other Consumer Loans	**13,060**	12,501
Lease Financing	**704**	569
	$22,971	$20,200
	$93,041	$83,549
Unearned Discount	**(2,685)**	(3,844)
CONSUMER LOANS, NET OF UNEARNED DISCOUNT	**$90,356**	$79,705

(1) Includes only loans secured primarily by real estate.

3. COMMERCIAL LOANS

Commercial Loans Outstanding

IN MILLIONS OF DOLLARS AT YEAR-END	1988	1987
In Domestic Offices		
Commercial and Industrial[1]	$16,225	$14,109
Mortgage and Real Estate[2]	9,822	8,750
Loans to Financial Institutions	660	611
Governments and Official Institutions	344	315
Lease Financing	2,378	1,558
	$28,929	$25,352
In Overseas Offices		
Commercial and Industrial[1]	$18,107	$21,257
Mortgage and Real Estate[2]	2,897	2,441
Loans to Financial Institutions	3,517	4,110
Governments and Official Institutions	4,961	4,750
Lease Financing	900	898
	$30,402	$33,456
	$59,331	$58,808
Unearned Discount	(490)	(598)
COMMERCIAL LOANS, NET OF UNEARNED DISCOUNT	$58,841	$58,210

(1) Includes loans not otherwise separately categorized
(2) Includes only loans secured primarily by real estate

Interest revenue and net interest revenue for 1988 include approximately $333 million of interest relating to the year 1987 on Brazilian medium- and long-term outstandings carried on a cash basis. Income recognition of payments received had been deferred, pending finalization of certain agreements relating to the commercial bank portion of the country's external financing plan, which occurred in 1988.

Citicorp's cash basis and renegotiated commercial loans amounted to $6,331 million, $6,046 million, and $2,583 million at December 31, 1988, 1987, and 1986, respectively. Renegotiated loans are those commercial loans on which the rate of interest has been reduced as a result of the inability of the borrower to meet the original terms of the loan. Foregone revenue from cash basis and renegotiated commercial loans was as follows:

IN MILLIONS OF DOLLARS FOR THE YEAR	1988	1987	1986
Interest Income that Would Have Been Accrued at Original Contractual Rates[1]	$816	$701	$344
Amount Recognized as Interest Income[2]	899	250	250
FOREGONE REVENUE	$ (83)	$451	$ 94

(1) $140 million, $98 million, and $72 million in domestic offices, $676 million, $613 million, and $272 million in overseas offices in 1988, 1987, and 1986, respectively
(2) Represents interest collected on cash basis loans, and interest accrued at reduced rates on renegotiated loans: $60 million, $58 million, and $36 million in domestic offices, $839 million, $192 million, and $214 million in overseas offices in 1988, 1987, and 1986, respectively

4. CHANGES IN THE ALLOWANCE FOR POSSIBLE CREDIT LOSSES

IN MILLIONS OF DOLLARS	1988	1987	1986
Balance at Beginning of Year	$4,618	$1,698	$1,235
Deductions			
Consumer Credit Losses	1,562[1]	1,271	1,172
Consumer Credit Recoveries	(304)	(247)	(214)
Net Consumer Credit Losses	$1,248	$1,024	$ 958
Commercial Credit Losses	$ 604	$ 617	$ 489
Commercial Credit Recoveries	(100)	(144)	(76)
Net Commercial Credit Losses	$ 504	$ 473	$ 413
Additions			
Provision for Possible Credit Losses	$1,330	$4,410	$1,825
Other[2]	9	7	9
BALANCE AT END OF YEAR	$4,205	$4,618	$1,698

(1) Includes $196 million from the phase-out of the mobile home and certain automobile lending businesses.
(2) Principally in allowance balances of acquired companies and translation of overseas allowance balances

5. PREMISES AND EQUIPMENT

Depreciation and amortization of premises and equipment was $611 million in 1988, $560 million in 1987, and $460 million in 1986. Generally, depreciation and amortization are computed on the straight-line basis over the estimated useful life of the asset or the lease term.

In December 1987, Citicorp sold a condominium interest in its headquarters complex in Manhattan. The sale resulted in a gain of $469 million ($283 million after tax), which is recorded in other revenue.

6. GOODWILL

Other assets include goodwill, which represents the excess of purchase price over the estimated fair value of net assets acquired accounted for under the purchase method of accounting. At December 31, 1988 and 1987, goodwill amounted to $1,081 million and $1,130 million, respectively. Goodwill is being amortized, primarily using the straight-line method over the periods estimated to be benefited. The remaining period of amortization, on a weighted-average basis, approximates 16 years.

7. PURCHASED FUNDS AND OTHER BORROWINGS

Purchased Funds and Other Borrowings, *Original Maturities of Less Than One Year*

IN MILLIONS OF DOLLARS	1988	1987	1986
Federal Funds Purchased and Securities Sold Under Repurchase Agreements[1][2]			
Amount Outstanding at Year End	**$ 9,720**	$11,733	$13,365
Average Outstanding During the Year	**$15,270**	$13,490	$10,433
Maximum Outstanding at Any Month End	**$17,456**	$14,759	$13,365
Commercial Paper[2]			
Amount Outstanding at Year End	**$ 9,346**	$ 9,058	$ 9,291
Average Outstanding During the Year	**$ 9,749**	$ 9,326	$ 6,208
Maximum Outstanding at Any Month End	**$10,646**	$10,374	$ 9,291
Other Funds Borrowed[3]			
Amount Outstanding at Year End	**$13,823**	$10,899	$11,075
Average Outstanding During the Year	**$11,871**	$10,261	$10,899
Maximum Outstanding at Any Month End	**$13,023**	$12,566	$12,643

(1) Weighted-average interest rate was 21.70% during 1988, 13.04% during 1987, and 7.07% during 1986, 92.33% at year-end 1988, 6.60% at year-end 1987, and 11.05% at year-end 1986.
(2) 1986 included only domestic offices.
(3) Weighted-average interest rate was 7.40% during 1988, 6.68% during 1987, and 6.60% during 1986, 9.27% at year-end 1988, 7.62% at year-end 1987, and 11.07% at year-end 1986.
(4) Weighted-average interest rate was 14.73% during 1988, 13.80% during 1987, and 16.21% during 1986. Year-end yield information was not readily available.

8. LONG-TERM DEBT

Long-Term Debt, Original Maturities of One Year or More[1]

IN MILLIONS OF DOLLARS AT YEAR-END	VARIOUS FIXED-RATE DEBT OBLIGATIONS	VARIOUS FLOATING-RATE DEBT OBLIGATIONS	1988 TOTAL	1987 TOTAL
Parent Company				
Due in 1988	$ —	$ —	$ —	$ 2,671
Due in 1989	1,227	1,912	3,139	2,170
Due in 1990	1,292	71	1,363	1,914
Due in 1991	2,062	341	2,403	1,587
Due in 1992	1,233	163	1,396	662
Due in 1993	1,966	61	2,027	1,266
Due in 1994-1998	2,148	1,248	3,396	3,283
Due in 1999-2003	431	143	574	578
Due in 2004 and Thereafter	660	932	1,592	1,677
	$11,019	$4,871	$15,690	$15,808
Subsidiaries				
Due in 1988	$ —	$ —	$ —	$ 1,564
Due in 1989	808	743	1,551	916
Due in 1990	737	413	1,150	854
Due in 1991	349	102	451	274
Due in 1992	225	66	291	376
Due in 1993	172	136	308	299
Due in 1994-1998	189	791	980	920
Due in 1999-2003	54	28	82	63
Due in 2004 and Thereafter	—	6	6	2
	$ 2,534	$2,285	$ 4,819	$ 5,268
TOTAL	$13,553	$7,156	$20,709	$21,076

(1) Maturity distribution is based upon contractual maturities or earlier dates at which debt is repayable at the option of the holder, due to required mandatory sinking fund payments or due to call notices issued.

Fixed-rate long-term debt matures over the period to 2017. The interest rates on fixed-rate debt issues ranged from 2.78% to 24.99% at December 31, 1988 and 2.78% to 22.50% at December 31, 1987, representing rates on issues denominated in various currencies. The weighted-average interest rates were 9.19% and 9.20% at December 31, 1988 and 1987, respectively.

Floating-rate long-term debt matures over the period to 2035. The interest rates are determined periodically by formulas based on certain money market rates or, in certain instances, by minimum interest rates as specified in the agreements governing the respective issues. The interest rates on floating-rate debt issues ranged from 3.00% to 26.82% at December 31, 1988 and 3.00% to 28.40% at December 31, 1987, representing rates on issues denominated in various currencies. The weighted-average interest rates were 9.32% and 7.62% at December 31, 1988 and 1987, respectively.

Subsidiary long-term debt of $185 million at December 31, 1988 and $187 million at December 31, 1987 was not guaranteed by Citicorp. The weighted-average interest rates on such long-term debt were 11.08% at December 31, 1988 and 10.34% at December 31, 1987. Substantially all long-term debt issued by subsidiaries and not guaranteed by Citicorp is secured by the assets of the subsidiary.

At December 31, 1988 and 1987, 5¼% outstanding convertible subordinated notes due in 2000 were $3.5 million and $3.9 million, respectively. Noteholders converted $0.4 million of convertible notes into 20,619 shares of common stock in 1988 and $1.4 million of convertible notes into 71,681 shares of common stock in 1987. The notes are convertible at the option of the holder into Citicorp common stock at a conversion price of $20.50 per share, subject to adjustment in certain events.

Certain of the agreements under which long-term debt obligations were issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock and from creating encumbrances on such shares.

The company has debt denominated in yen, Swiss francs, pounds sterling, Deutsche marks, ECUs, and Australian dollars equal to approximately 4% of total long-term debt.

9. SUBORDINATED CAPITAL NOTES

IN MILLIONS OF DOLLARS AT YEAR END	1988	1987
Parent Company		
Floating-Rate Subordinated Capital Notes with No Stated Maturity	$ 500	$ 500
Floating-Rate Subordinated Capital Notes Due 1996	500	500
9% Subordinated Capital Notes Due 1999	300	300
9¼% Subordinated Capital Notes Due 1999	300	300
	$1,600	$1,600
Subsidiaries		
12½% Subordinated Capital Notes Due 1996	$ 350	$ 349
Floating-Rate Subordinated Capital Notes Due 1996	550	550
Floating-Rate Subordinated Capital Notes Due 1997	500	500
8¾% Subordinated Capital Notes Due 1998	249	249
	$1,649	$1,648
TOTAL	**$3,249**	$3,248

Subordinated capital notes of subsidiaries are unconditionally guaranteed on a subordinated basis by Citicorp.

The interest rates on the floating-rate issues are determined periodically by formulas based on certain money market rates, or in certain instances, by minimum interest rates, as specified in the agreements governing the respective issues. Citicorp may defer payment of interest on the subordinated capital notes with no stated maturity if no dividends have been declared on any class of Citicorp stock in the preceding six months. The interest rates on floating-rate issues ranged from 8.62% to 9.76% at December 31, 1988 and 7.16% to 8.86% at December 31, 1987. The weighted-average interest rates were 9.20% at December 31, 1988 and 8.11% at December 31, 1987.

At maturity of the subordinated capital notes, or in the case of the subordinated capital notes with no stated maturity, at the election of the holders in each year commencing in 2016, or at the election of Citicorp in each year commencing in 1991, the notes will be exchanged for a security of Citicorp that qualifies as primary capital then having a market value equal to the principal amount of the notes, or under certain circumstances redeemed, in whole or in part, for cash. At the option of the issuer, the exchange may be for common stock, nonredeemable preferred stock, or other marketable capital securities of Citicorp.

Alternatively, the issuer will unconditionally undertake to sell capital securities on behalf of the holders, who elect to receive cash for capital securities upon an exchange of the notes, in an amount sufficient to pay the principal of such notes. Because the type of securities to be issued at maturity will be at the option of Citicorp or the Citicorp subsidiary that issued the notes, and because the amount of securities to be issued will depend on their future market values, the amount and type of securities to be issued at maturity or redemption of the notes cannot be determined. If common stock is issued, some dilution of earnings per share may occur.

If Citicorp's consolidated retained earnings and surplus accounts become negative, the subordinated capital notes with no stated maturity must be exchanged for the marketable capital securities of Citicorp, as discussed above.

The agreements under which the notes are issued prohibit Citicorp, under certain conditions, from paying dividends in shares of Citibank capital stock.

10. REDEEMABLE PREFERRED STOCK

At December 31, 1988 and 1987, 400,000 shares of non-voting redeemable preferred stock were issued and outstanding, subject to redemption at a price of $100 per share through a mandatory sinking fund. From 1990 through 2005, $1 million must be retired each year, and from 2006 to 2013, $3 million must be retired each year. Dividends, which are cumulative, are payable semiannually. Beginning in 1995 the dividend rate is determined every three years until 2009 by a formula based on certain money market rates. The dividend rate established in 2009 will be applicable until 2013. Annual dividend rates were $10.22 in 1988 and $10.45 in 1987 and 1986. Citicorp may be required to repurchase the preferred stock at $100 per share if loans are not extended to the preferred stockholder, under certain circumstances.

11. PREFERRED STOCK

IN MILLIONS OF DOLLARS AT YEAR-END	1988	1987
Adjustable Rate Preferred Stock		
Second Series, 3,900,000 Shares	$ 390	$ 390
Third Series, 1,500,000 Shares	150	150
Price Adjusted Rate Preferred Stock		
Fourth Series, 1,000,000 Shares	100	100
Money Market Cumulative Preferred Stock Series 5A through 5G, 5,750 Shares	575	575
Series 6A and 6B, 1,500 Shares	150	150
Remarketed Preferred Stock Series 6C through 6E, 2,250 Shares	225	225
TOTAL	$1,590	$1,590

Dividends on the Second, Third, and Fourth Series of preferred stock are cumulative and payable quarterly at rates determined quarterly by formulas based on interest rates of certain U.S. Treasury obligations. Dividends on the Second and Third Series of preferred stock are subject to certain minimum and maximum rates as specified in the agreements governing the respective instruments. The weighted-average dividend rates on the Second, Third, and Fourth Series were 6.000%, 7.000%, and 6.938%, respectively, for 1988.

Dividends on Money Market Cumulative Preferred Stock, Series 5A through 5G and Series 6A and 6B and Remarketed Preferred Stock, Series 6C through 6E are cumulative. Rates are determined every 49 days by auction unless Citicorp fails to pay any dividends or redeem any shares for which it has given notice of redemption, in which case the dividend rate will be set at 150% of London Interbank Offered Rate (LIBOR). On Remarketed Preferred Stock, holders may elect a 49-day dividend period or a 7-day dividend period. The current maximum dividend rate in any auction is 120% of the 60-day "AA" Composite Commercial Paper Rate. During 1988, the weighted-average dividend rates on Money Market Cumulative Preferred Stock, Series 5A, 5B, 5C, 5D, 5E, 5F, and 5G, which have different dividend reset dates, were 6.292%, 6.185%, 6.272%, 6.436%, 6.169%, 6.101%, and 6.075%, respectively. The weighted-average dividend rates on Money Market Cumulative Preferred Stock, Series 6A and 6B were 6.377% and 6.191%, respectively, and Remarketed Preferred Stock, Series 6C through 6E was 5.604%.

Citicorp may, at its option, redeem the Second Series until February 28, 1993 at $103 per share and at $100 per share thereafter; may, at its option, redeem the Third Series until August 31, 1989 at $103 per share and at amounts declining thereafter to $100 per share beginning September 1, 1992; and may, at its option, redeem the Fourth Series at any time at $100 per share.

Effective April 22, 1987, the Money Market Cumulative Preferred Stock, Series 5A through 5G were adjusted for a Five-for-One stock split.

Citicorp may, at its option, redeem the Money Market Cumulative Preferred Stock, Series 5A through 5G for $100,000 per share. These shares are also redeemable at the option of Citicorp, in whole but not in part, at $100,000 per share, plus accrued dividends, in the event that the dividend rate should equal or exceed the 60-day "AA" Composite Commercial Paper Rate.

Citicorp may, at its option, redeem the Money Market Cumulative Preferred Stock, Series 6A and 6B and the Remarketed Preferred Stock, Series 6C through 6E, in whole or in part, at $100,000 per share, plus accrued dividends on any dividend payment date.

All series rank prior to common stock as to dividends and liquidation and do not have general voting rights.

Authorized preferred stock (issuable as either redeemable or non-redeemable) was 50 million shares at December 31, 1988 and 1987. At December 31, 1988 and 1987, 6,400,500 shares of non-redeemable preferred stock were issued and outstanding, and 400,000 shares of redeemable preferred stock were issued and outstanding.

12. COMMON STOCK

During 1988, Citicorp restated and amended its certificate of incorporation by increasing its authorized common stock to 600 million shares at December 31, 1988 as compared with 500 million shares at December 31, 1987. Additionally, Citicorp has authorized, but not issued, 20 million shares of Class B common stock with a par value of $1.00 and one vote per share.

The outstanding shares at December 31, 1988 and 1987 include 6.7 million and 6.0 million book value shares, respectively, issued in connection with certain staff benefit plans. Under the terms of the plans, book value shares sold back to Citicorp are settled in market value shares.

At December 31, 1988, shares were reserved for issuance as follows: on conversion of convertible notes, 0.2 million shares; under the savings incentive plan, 23.4 million book value shares; and under the 1973 stock option plan, a maximum of 1.8 million shares if issued at market value and a maximum of 1.9 million shares if issued at book value; under the 1983 stock option plan, under which options have been granted in tandem, a maximum of 16.0 million shares, if issued at market value, and a maximum of 18.5 million shares, if issued at book value; under the stock purchase plan, 25.0 million shares; under the restricted stock plan, 0.2 million shares; under the stock incentive plan, 24.6 million shares; and under the executive incentive compensation plan, under which shares have been reserved in tandem, a maximum of 1.3 million shares, if issued at market value, and a maximum of 1.0 million shares, if issued at book value.

A Two-for-One common stock split in the form of a 100% common stock dividend was declared on October 5, 1987 to holders of record on October 30, 1987.

Beginning with the second quarter of 1986, common dividends are considered for declaration in July, October, January, and April, instead of June, September, December, and March. As a result, only three dividends were declared in 1986.

13. FEES AND COMMISSIONS

Trust, agency, and custodial fees included in fees and commissions were $450 million in 1988, $514 million in 1987, and $381 million in 1986.

14. STAFF BENEFITS

Following are descriptions of certain of Citicorp's principal staff benefit plans. Certain of these plans permit options or subscriptions to purchase, or elections to invest in, either market value or book value stock of Citicorp. Subsequent to December 31, 1987, no further options are granted, subscription agreements entered into, or new investment elections permitted for the purchase of book value stock.

Retirement Plans

There are a number of non-contributory pension plans covering substantially all domestic staff members. The employees of foreign operations participate in various local plans.

Under the principal plan, retirement benefits are based on years of credited service, the highest average compensation (as defined), and the primary social security benefit. Citicorp's funding strategy has been to maintain plan assets sufficient to provide not only for benefits based on service to date, but also for those expected to be earned in the future.

The following table provides a breakdown of amounts recognized in Citicorp's consolidated financial statements for the years ended December 31, 1988, 1987, and 1986:

Components of Net Pension Income

IN MILLIONS OF DOLLARS	1988	1987	1986
Service Cost—Benefits Earned During the Year	$(52)	$(50)	$(34)
Interest Cost on Projected Benefit Obligation	(55)	(70)	(68)
Assumed Return on Plan Assets (Actual return was $111 in 1988, $4 in 1987, and $172 in 1986)	97	105	112
Net Amortization and Deferral	11	24	34
NET PENSION INCOME	$ 1	$ 9	$ 44

The assumed long-term rate of return on assets used in determining net pension income was 10.2% in 1988, 9.65% in 1987, and 11% in 1986. The transition net asset is being amortized over a 14-year period.

In 1987, Citicorp settled certain pension obligations of the principal plan through the purchase of a non-participatory annuity contract. As a result, a gain of $301 million ($163 million after tax) was recognized as other revenue.

The following table presents the principal benefit plan's funded status at December 31, 1988 and 1987:

Funded Status

IN MILLIONS OF DOLLARS AT YEAR END	1988	1987
Plan Assets at Fair Value, Primarily Listed Stocks, Fixed Income Securities and Commingled Funds Managed by Citibank, N.A.	$1,013	$ 912
Actuarial Present Value of Benefits for Service Rendered to Date:		
Accumulated Benefits Based on Salaries to Date, Including Vested Benefits of $167 in 1988 and $147 in 1987	$ 209	$ 250
Additional Benefits Based on Estimated Future Salary Levels	403	341
Projected Benefit Obligation	$ 692	$ 591
Plan Assets in Excess of Projected Benefit Obligation	$ 321	$ 321
Unrecognized Net Actuarial Loss	237	255
Unamortized Transition Net Asset	(204)	(222)
PREPAID PENSION COST INCLUDED IN OTHER ASSETS	$ 354	$ 354

The weighted-average discount rate used in determining the actuarial present value of the projected benefit obligation was 9.3% in 1988 and in 1987. For both years, the assumed rate of increase in future compensation levels was 6.5%.

Savings Incentive Plan

Under the Savings Incentive Plan, eligible staff members receive awards equal to 3% of their covered salary. Staff members have the option of receiving their award in cash or deferring some or all of it in various investment funds. Citicorp grants an additional award equal to the amount deferred by the employee. Several investment options are available, including Citicorp market value shares, which the fund acquires in the open market, and prior to 1988, book value shares issued by Citicorp. The expense associated with the plan amounted to $69 million in 1988, $64 million in 1987, and $56 million in 1986.

Stock Incentive Plan

During 1988, the shareholders of Citicorp approved a new stock incentive plan, retroactive to January 1, 1988, to replace the 1983 stock option plan, which expired March 31, 1988. The 1988 stock incentive plan provides for the issuance of stock options or shares of Class B common stock at prices not less than 50% of the market value at the date of grant. Incentive stock options, stock appreciation rights, restricted stock, or performance unit awards, any of which may be granted singly, in tandem or in combination. Pursuant to the plan, 385,000 restricted shares of market value stock, with an aggregate market value of approximately $7.5 million, were granted to key executives, contingent upon their continued employment, over restriction periods of up to nine years. The value of the shares at the date of grant is amortized to expense over the

restriction period. The expense recognized for the award amounted to $1.0 million in 1988.

Under the 1988 stock incentive plan, the 1983 stock option plan, and the 1973 stock option plan, as extended and amended, options have been granted to key staff members for terms up to 10 years to purchase common stock at not less than the fair market value of the shares at the date of grant. Options previously granted under the 1983 plan and 1973 plan do not fully expire until 1997 and 1992, respectively. No further options may be granted under these plans. Under the 1983 plan and 1973 plan, and based on the terms of the options granted under the 1988 plan, 50% of the options granted are exercisable beginning on the first anniversary and 50% beginning on the second anniversary of the date of grant.

In addition, the 1983 plan and 1973 plan, as extended and amended, provided for the granting in tandem of options to purchase market value shares of common stock at not less than the market value at the date of grant or a proportionate number of book value shares of common stock at not less than the book value per share at the date of grant. Such a proportionate number of book value shares is determined based on the ratio of market value to book value per share at the date of grant.

In the captions "shares under option" and "options granted" in the accompanying table, options granted in tandem are included on the basis that represents the economically preferable alternative to the staff member.

At December 31, 1988, options to purchase 15,286,969 shares were exercisable. At that date, 20,541,545 shares were available to grant options to purchase market value shares or other forms of stock-related awards. Additional shares may become available for grant under the 1988 plan to the extent that presently outstanding options under the 1983 plan terminate or expire unexercised.

Changes In Options And Shares Under Options

	NUMBER OF SHARES	OPTION PRICE PER SHARE
Shares Under Option at		
December 31, 1988	24,447,358	$ 9 to $27
December 31, 1987	20,736,879	$ 9 to $29
Options Granted		
1988	5,939,325	$19 to $26
1987	7,569,633	$19 to $25
1986	4,952,974	$25 to $27
Options Exercised		
1988	1,306,088	$ 9 to $27
1987	2,329,799	$ 9 to $32
1986	3,604,522	$ 9 to $27
Options Expired or Terminated		
1988	967,306	$ 9 to $31
1987	424,885	$ 9 to $31
1986	512,134	$ 9 to $31

Stock Purchase Plan

The plan permits all eligible staff members (two years employment with Citicorp or its subsidiaries) to purchase shares within a specified period not to exceed 24 months, under agreements entered into with all such staff members, from time to time at the fair market value, or for subscription agreements entered into prior to December 31, 1987, at book value per share at the dates of the agreements.

Agreements aggregating $139 million were entered into on June 30, 1988. Outstanding subscriptions, which aggregated $131 million at December 31, 1988, may be used for the purchase of market value shares at $24.75 per share. In 1988, 21,562 market value shares were purchased by staff members under the terms of the June 30, 1988 agreements. These agreements expire on March 31, 1990.

Under the agreements entered into on June 30, 1986 for the purchase of market value shares at $29.625 per share and book value shares at $26.784 per share, 388 market value and 13,566 book value shares were purchased in 1988, 52,778 market value and 73,218 book value shares were purchased in 1987, and 214 market value and 17,378 book value shares were purchased in 1986. These agreements expired on March 31, 1988.

Executive Incentive Compensation Plan

Under the Executive Incentive Compensation Plan, awards are made to key staff members, payable at the election of the participants, in cash, or in market value shares, or for elections made prior to December 31, 1987, book value shares of Citicorp common stock, in one installment in 1989 and in two installments for awards made in 1987 and 1986, or on a deferred basis.

The aggregate amount of the awards was approximately $24 million in 1988, $12 million in 1987, and $15 million in 1986.

Restricted Stock Plan

The 1986 Restricted Stock Plan grants awards of market value shares to key executives, contingent upon their continued employment, over a restriction period not to exceed ten years. The value of shares at the date of grant is amortized to expense over the restriction period. A total of 228,000 shares with an aggregate market value of approximately $4.4 million were granted in 1988, 64,000 shares with an aggregate market value of approximately $1.7 million were granted in 1987, and 224,000 shares with an aggregate market value of approximately $7.0 million were granted in 1986. The expense recognized for the plan amounted to $0.8 million in 1988, $1.0 million in 1987, and $0.4 million in 1986.

15. INCOME TAXES

IN MILLIONS OF DOLLARS FOR THE YEAR	1988	1987	1986
Provision for Taxes on Income	**$1,009**	$894	$617
Income Tax Benefits Related to Foreign Currency Translation Reported in Stockholders' Equity	**(13)**	(43)	(94)
	$ 996	$851	$523
Extraordinary Item — Carryforward Tax Benefits	**(160)**	—	—
TOTAL INCOME TAXES	**$ 836**	$851	$523

During 1988, $160 million of previously unrecognized U.S. Federal income tax benefits generated in 1987 were carried forward for financial statement purposes and recognized as extraordinary income at the current prevailing tax rate. Remaining unrecognized income tax benefits of approximately $700 million are available to reduce income taxes that would otherwise be provided in Citicorp's financial statements in future years.

Components of Total Income Taxes

IN MILLIONS OF DOLLARS FOR THE YEAR	1988	1987	1986
Domestic			
Current			
U.S. Federal	**$ 67**	$ 106	$ 33
State and Local	**105**	124	75
	$ 172	$ 230	$ 108
Deferred			
U.S. Federal	**$ 316**	$(122)	$(189)
State and Local	**33**	11	(27)
	$ 349	$(111)	$(216)
Total Domestic	**$ 521**	$ 119	$(108)
Foreign (Substantially current)	**$ 475**	732	631
	$ 996	$ 851	$ 523
Extraordinary Item — Carryforward Tax Benefits	**(160)**	—	—
TOTAL INCOME TAXES	**$ 836**	$ 851	$ 523

Although not affecting total income taxes, current income tax payments may differ from the amounts shown as current as a result of the final determination as to the timing of certain deductions and credits. Reclassifications have been made between current and deferred tax expense for 1987 and 1986 to reflect the tax returns as filed.

Within the total provision, the tax effect of investment securities transactions amounted to a provision of $39 million in 1988, $88 million in 1987, and $60 million in 1986.

As a U.S. corporation, Citicorp is subject to domestic taxation currently on all of its foreign pre-tax earnings if earned by a foreign branch or when earnings are effectively repatriated if earned by a foreign subsidiary or affiliate. In addition, certain of Citicorp's domestic income is subject to foreign income tax where the payor of such income is domiciled overseas. For purposes of disclosure under rules of the Securities and Exchange Commission, foreign pre-tax earnings (loss) approximated $1,527 million in 1988, $(2,013) million in 1987, and $1,014 million in 1986.

Deferred taxes result from differences in the timing of the recognition of revenue and expense for tax and financial accounting purposes. The following table presents the components of deferred taxes by type of timing difference:

Components of Deferred Taxes

IN MILLIONS OF DOLLARS FOR THE YEAR	1988	1987	1986
Lease Financing Transactions	**$112**	$ 95	$ 130
Effect of Changes in Tax Rates on Leveraged Lease Portfolio	**—**	—	(55)
Credit Loss Deduction	**53**	(1,172)	(204)
Interest Income	**11**	(35)	(20)
Domestic Taxes on Overseas Income	**77**	(43)	(21)
Pension Settlement	**—**	149	—
Mortgage Pass-Through Sales	**28**	34	51
Tax Benefits Not Recognized	**—**	1,038	—
Other	**68**	(177)	(97)
TOTAL	**$349**	$ (111)	$(216)

The following table reconciles the U.S. Federal statutory tax rate to the effective tax rate on income (loss) before taxes and extraordinary item:

Analysis of Effective Tax Rate

FOR THE YEAR	1988	1987	1986
Statutory U.S. Federal Tax Rate	**34.0%**	(40.0)%	46.0%
Changes from Statutory Rate Resulting from:			
Tax-Exempt Interest Income	**(1.7)**	(26.1)	(5.5)
Income Subject to Tax at Capital Gains Rates	**—**	(16.0)	(1.6)
State and Local Income Taxes, Net of U.S. Federal Income Tax Benefit	**3.3**	37.6	2.4
Taxes on Income of Overseas Operations	**3.4**	9.4	(.4)
Income from 20%-50% Owned Affiliates Included on an After-Tax Basis	**(.6)**	(5.4)	(1.0)
Effect of Changes in Tax Rates on Leveraged Lease Portfolio	**—**	—	(3.0)
Tax Benefits Not Recognized	**—**	332.4	—
Other	**(1.1)**	18.6	.6
EFFECTIVE TAX RATE	**37.3%**	310.5%	37.5%

16. EARNINGS (LOSS) PER SHARE

The accompanying table shows the calculation of earnings (loss) per share on common and common equivalent shares for income (loss) before extraordinary item and net income (loss) after deduction of dividends on redeemable preferred stock and preferred stock. Common equivalent shares are not included in the 1987 loss per share calculation because they would be antidilutive. For 1988 and 1986, shares issuable under stock option grants and stock purchase plan subscriptions, which give staff members the alternative to purchase either market value or book value shares, are either included as common equivalent shares or enter into the earnings per share calculation according to the two-class method based upon the economically preferable alternative to staff members, as further described in the Statement of Accounting Policies.

Calculation of Earnings (Loss) Per Share

IN MILLIONS EXCEPT PER SHARE AMOUNTS	1988	1987	1986[1]
Net Income (Loss) Available for Common Stockholders			
a. Distributed Portion (Dividends)	**$ 401**	$ 370	$ 250
b. Undistributed Portion Before Extraordinary Item[2]	**1,133**	(1,653)	704
Income (Loss) Available for Common Stockholders Before Extraordinary Item	**$1,594**	$(1,274)	$ 954
c. Extraordinary Item	**160**	—	—
TOTAL	**$1,754**	$(1,274)	$ 954
Shares			
Weighted-Average Common Shares Outstanding — Market Value	**311.6**	282.9	262.4
Weighted-Average Common Shares Outstanding — Book Value	**6.5**	6.1	6.2
Common Stock Equivalents[2]	**2.3**	—	3.6
d. Shares Applicable to Distributed Portion	**320.4**	289.0	272.2
Book Value Shares Issuable Under Stock Option and Stock Purchase Plans	**9.7**	—	4.8
e. Shares Applicable to Undistributed Portion	**330.1**	289.0	277.0
Earnings (Loss) Per Share			
a ÷ d Distributed Portion	**$ 1.44**	$ 1.31	$ .92
b ÷ e Undistributed Portion Before Extraordinary Item	**3.43**	(5.72)	2.54
Income (Loss) Before Extraordinary Item	**$ 4.87**	$ (4.41)	$ 3.46
c ÷ e Extraordinary Item	**.49**	—	—
NET INCOME (LOSS)	**$ 5.36**	$ (4.41)	$ 3.46

(1) Amounts restated to reflect the Two-for-One stock split on October 5, 1987.

(2) Common stock equivalents represent shares issuable under the executive incentive compensation plan and the dilutive effect of market value shares issuable under stock option and stock purchase plans computed using the treasury stock method. Net income (loss) available for common stockholders is adjusted for after-tax dividend equivalents on shares issuable under the executive incentive compensation plan.

Fully diluted earnings per share, assuming conversion of all outstanding convertible notes and the maximum dilutive effect of common stock equivalents, have not been presented because the effects are not material and, for 1987, would be antidilutive. The fully diluted earnings per share computation would entail adding the number of shares issuable on conversion of the notes (0.2 million in 1988 and 0.3 million in 1986) and the additional common stock equivalents (0.1 million in 1988 and 0.2 million in 1986) to the number of shares included in the earnings per share calculation (resulting in a total of 330.4 million shares in 1988 and 277.5 million shares in 1986) and eliminating the after-tax interest expense related to the conversion of the notes ($0.1 million in 1988 and $0.2 million in 1986).

17. GEOGRAPHIC DISTRIBUTION OF REVENUE, EARNINGS (LOSS), AND ASSETS

Citicorp attributes total revenue, income (loss) before taxes and extraordinary item, net income (loss), and average total assets to operations based on the domicile of the customer. U.S. possessions are included in the respective geographic areas.

Because of the integration of global activities, it is not practicable to make a precise separation, and various assumptions must be made in arriving at allocations and adjustments to be used in presenting this data.

The principal allocations and adjustments are: (1) charges for all funds employed that are not generated locally, calculated on the amount and nature of the assets and based on a marginal cost of funds concept, Citicorp stockholders' equity is allocated as generated and earned based on each area's percentage of total assets; (2) allocation of expenses incurred by one area on behalf of another, including administrative costs, based on methods intended to reflect services provided; (3) allocation of tax expenses, including allocation to foreign activities of tax benefits related to the $3.0 billion provision for possible credit losses recorded in the second quarter of 1987; (4) allocation of the difference between actual net credit losses and the provision for possible credit losses; and (5) allocation of corporate staff costs (other than those charged to the core businesses) and other corporate items.

No portion of Citicorp's credit loss allowance is specifically allocated or restricted to any individual loan or group of loans, and the entire allowance is available to absorb any and all credit losses. For the purpose of calculating the accompanying geographic data, the amounts attributable to foreign operations include year-end allowance amounts of $3,298 million for 1988, $3,723 million for 1987, and $630 million for 1986 and credit loss provision amounts of $140 million for 1988, $3,336 million for 1987, and $473 million for 1986. In addition, approximately $300 million of the existing allowance was transferred to the portion of the allowance attributed to foreign operations in 1987.

Geographic Distribution of Revenue, Earnings (Loss), and Assets

IN MILLIONS OF DOLLARS	TOTAL REVENUE[1] 1988	TOTAL REVENUE[1] 1987	TOTAL REVENUE[1] 1986	INCOME (LOSS) BEFORE TAXES AND EXTRAORDINARY ITEM 1988	INCOME (LOSS) BEFORE TAXES AND EXTRAORDINARY ITEM 1987	INCOME (LOSS) BEFORE TAXES AND EXTRAORDINARY ITEM 1986	NET INCOME (LOSS) 1988	NET INCOME (LOSS) 1987	NET INCOME (LOSS) 1986	AVERAGE TOTAL ASSETS 1988	AVERAGE TOTAL ASSETS 1987	AVERAGE TOTAL ASSETS 1986
North America[3]	$ 7,942	$ 8,055	$ 6,270	$1,460[4]	$ 2,051[4]	$ 721[4]	$ 914	$ 1,160	$ 516	$122,632	$112,214	$101,287
Caribbean, Central and South America[3]	1,519	711	1,191	625	(2,337)	462	662	(2,103)	207	19,931	18,818	19,013
Europe, Middle East, and Africa	2,410	2,362	1,867	205	(173)	183	106	(253)	95	42,085	44,094	40,677
Asia/Pacific	1,146	1,225	962	409	171	289	277	24	150	22,558	23,346	22,887
TOTAL	$13,018	$12,353	$10,290	$2,707	$ (288)	$1,645	$1,959[5]	$(1,182)	$1,028	$207,106	$198,472	$183,864

(1) Includes net interest revenue and fees, commissions, and other revenue.

(2) Includes amounts attributed to United States operations (in 1988, 1987, and 1986, respectively) as follows: total revenue, $7827 million, $7,911 million, and $6,149 million; income (loss) before taxes and extraordinary item, $1,400 million, $1,905 million, and $562 million; net income, $881 million, $1,116 million, and $483 million; and average total assets, $119,363 million, $106,801 million, and $97,751 million.

(3) In North America, income (loss) before taxes and extraordinary item includes approximately $210 million in 1988, $144 million in 1987, and $175 million in 1986 of tax-exempt income, reducing the Federal income tax provision attributed to the United States.

(4) Includes amounts attributed to Brazil operations (in 1988, 1987, and 1986, respectively) as follows: total revenue, $730 million, $731 million, and $444 million; income (loss) before taxes and extraordinary item: $550 million, $(854) million, and $229 million; net income (loss), $408 million, $(730) million, and $170 million; and average total assets denominated in cruzados and other currencies, $6,745 million, $6,444 million, and $6,760 million. Total revenue in 1988 includes $333 million of interest relating to 1987 and net income also includes $39 million of carryforward tax benefits. Excluding these two items, net income in Brazil in 1988 would have been $140 million.

(5) 1988 results include an extraordinary item of $160 million of carryforward tax benefits.

18. NON-FUNDS RELATED FINANCIAL PRODUCTS

Citicorp offers various financial products to its customers to meet their needs for liquidity, credit enhancement, foreign exchange, and interest rate protection. Many of these products were developed in response to the growing sophistication of the financial markets and customers' needs for flexible ways to manage funding costs and foreign exchange exposure. In addition, the offering of these products may serve to reduce rather than increase Citicorp's own exposure to movements in interest and foreign exchange rates.

All products offered by Citicorp are subject to its normal stringent credit standards, financial controls, and risk limiting and monitoring procedures. Many of these products do not entail present or future funded asset or liability positions, but are instead in the nature of commitments, guarantees, or executory contracts.

Following are discussions of certain significant products, with indications of gross volumes.

Loan Commitments

Citicorp and its subsidiaries had outstanding unused commitments to make or purchase loans, to purchase third-party receivables, to provide note issuance facilities or revolving underwriting facilities, or to extend credit in the form of lease financing of $48.3 billion at December 31, 1988 and $40.3 billion at December 31, 1987. Substantially all

Standby Letters of Credit

IN MILLIONS OF DOLLARS AT YEAR-END	EXPIRE WITHIN 1 YEAR	AFTER 1 BUT WITHIN 5 YEARS	AFTER 5 YEARS	PERCENTAGE COLLATERALIZED	1988 AMOUNT OUTSTANDING	1987 AMOUNT OUTSTANDING
Type						
Bid Guarantee, Performance	$ 2,502	$1,597	$ 766	7.0%	$ 4,865	$ 5,418
Clean Payment	1,841	849	112	46.6%	2,802	2,218
Options, Purchased Securities, Escrow	193	331	29	10.0%	553	158
Insurance, Surety	4,827	978	957	29.5%	6,762	5,374
Backstop State, County, and Municipal Securities	227	85	1,128	2.4%	1,440	1,537
All Other Debt Related	1,296	4,383	3,182	21.4%	8,861	8,625
TOTAL	$10,886	$8,223	$6,174	22.1%	$25,283	$23,330

of these commitments are contingent upon customers' maintaining specific credit standards. In addition, Citicorp and its subsidiaries are obligated under various recourse provisions related to sales of loans or sales of participations in pools of loans. The maximum obligation under recourse provisions was $10.1 billion at December 31, 1988 and $8.3 billion at December 31, 1987. Of these amounts, approximately 92% at December 31, 1988 and 93% at December 31, 1987 related to sales of residential mortgages. Citicorp also has secondary recourse obligations under servicing agreements with the Government National Mortgage Association (GNMA) covering approximately $7.3 billion of residential mortgages at December 31, 1988 and $7.0 billion at December 31, 1987. Losses under all recourse obligations have not been material.

Standby Letters of Credit

Standby letters of credit are used in various transactions to enhance the credit standing of Citibank customers. Standby letters of credit are irrevocable assurances that Citibank will make payment in the event that a Citibank customer cannot perform its obligations to third parties.

Citibank issues standby letters of credit on behalf of its customers for four primary purposes: to ensure contract performance and irrevocably assure payment by the customer under supply, service, and maintenance contracts or construction projects; to provide a payment mechanism for a customer's third-party obligations or act as a substitute for an escrow account; to assure payment by a foreign reinsurer to a domestic insurer; and to assure payment of specified financial obligations of a customer. Fees are recognized ratably over the term of the standby letter of credit. Losses have not been material.

Insurance Activities

AMBAC, a majority-owned subsidiary of Citibank, provides default insurance on bonds issued by U.S. municipalities. Under municipal bond insurance policies, if a bond issuer defaults on an insured issue, the insurer promises to pay the principal and interest in accordance with the original payment schedule. Acceleration of payment under the insurance policy by the insured is not permitted.

AMBAC's insurance underwriting procedures include a rigorous credit review, along with an ongoing risk monitoring process. AMBAC limits its exposure to losses by underwriting only investment grade municipal bonds, by diversifying its risk geographically, by type of bond, by single issue limitations, and by obtaining reinsurance. Premiums are recognized over the term of the insurance policy. The amount of unearned premium was $325.7 million at December 31, 1988 and $334.9 million at December 31, 1987. Reserves for losses are provided for when default by the bond issuer is reasonably anticipated; such losses have not been material. The principal amount of municipal bond insurance in force retained by AMBAC was $27.3 billion at December 31, 1988 and $29.6 billion at December 31, 1987. The municipal bonds insured had a weighted-average life of 16.2 years at December 31, 1988 and 16.7 years at December 31, 1987.

Capital Markets Assurance Corporation (CapMAC), a wholly-owned subsidiary of Citicorp, insures the timely payment of principal and interest for issues of corporate bonds, debentures, notes, asset-backed financings, and other taxable obligations. In addition, CapMAC may underwrite or reinsure financial guarantee insurance for tax-exempt securities.

CapMAC limits its exposure to losses by underwriting only investment grade obligations, by diversifying its risk geographically, by type of securities, by single issue limitations, and by obtaining reinsurance. CapMAC further limits its exposure to losses by requiring over-collateralization, or a pledge of a standby letter of credit or other third-party guarantee.

Premiums are recognized over the term of the insurance coverage as risk is reduced. The amount of unearned premium was $17.7 million at December 31, 1988 and $15.2 million at December 31, 1987. Reserves for losses are provided when default is reasonably anticipated. Losses have not been material. At December 31, 1988 and 1987, CapMAC's principal amount of insurance in force retained was $1.6 billion and $1.3 billion, respectively. The weighted-average life of the insured instruments was 18.4 years at December 31, 1988 and 19.3 years at December 31, 1987.

Interest Rate and Foreign Exchange Products

Citicorp offers interest rate and foreign exchange futures, forwards, options, and swaps which enable customers to

transfer, modify, or reduce their interest rate and foreign exchange risks. Futures and forward contracts are commitments to buy or sell at a future date a financial instrument or currency at a contracted price and may be settled in cash or through delivery. Swap contracts are commitments to settle in cash at a future date or dates, based on differentials between specified financial indices, as applied to a notional principal amount. Option contracts give the acquiror, for a fee, the right but not the obligation to buy or sell within a limited time a financial instrument or currency at a contracted price and may also settle in cash, based on differentials between specified indices.

In most cases, Citicorp manages the exposures related to these products as part of its overall interest rate and foreign exchange trading activities which include both funded (asset and liability) and non funded positions. For example, Citicorp may hold a security in its trading portfolio and at the same time have futures contracts to sell that security. The losses on one position may substantially offset gains on the other position. These products are also utilized by Citicorp to reduce exposures outside the trading portfolios as hedges of interest rate gaps and foreign exchange positions.

The market and credit risks inherent in traditional banking services are also present in these specialized financial products, as are the various operating risks that exist in all financial activities. Notional principal amounts are often used to express the volume of these transactions, but do not represent the much smaller amounts potentially subject to risk.

Market risk is the exposure created by fluctuations in interest and foreign exchange rates and is a function of the type of product, the volume of the transaction, the tenor and terms of the agreement, and the volatility of the underlying interest rate or exchange rate. Market risk is affected by the mix of the aggregate portfolio and the extent to which positions have offsetting exposures. The market risk of an interest rate swap, for example, will be reduced by the presence of securities, financial futures, or other interest rate swap positions with offsetting exposures. Citicorp manages its trading activities in these specialized financial products on a market value basis that recognizes in earnings the gains or losses resulting from changes in market interest or exchange rates. Trading limits and monitoring procedures are used to control the overall exposure to market risk.

A variety of monitoring procedures is used to control the overall exposure to market risk. These monitoring procedures include risk points, a system that measures the exposure to movements in market interest rates; cost to close, a concept that determines the cost of covering an open position; and earnings at risk, which estimates the earnings impact of changes in market interest rates based on historical interest rate volatility.

Credit risk is the exposure to loss in the event of nonperformance by the other party to a transaction, and is a function of the ability of the counterparty to honor its obligations to Citicorp. For these specialized financial products, the amounts due from or due to the counterparty will change as a result of movements in market rates, and the amount subject to credit risk is limited to this fluctuating amount. Citicorp controls credit risk through credit approvals, limits, and monitoring procedures, and the recognition in earnings of unrealized gains on these transactions is dependent on management's assessment as to collectibility. Credit losses related to these interest rate and foreign exchange products have not been material.

Citicorp has a significant presence in the markets for these interest rate and foreign exchange products. The notional principal amount of Citicorp's outstanding interest rate swaps was $130.1 billion and $116.0 billion at December 31, 1988 and 1987, respectively. At December 31, 1988 and 1987, an estimate of the related credit risk equalled $2.4 billion and $2.9 billion, respectively. This measure of credit risk related to interest rate swaps can be estimated by calculating the present value of the cost of replacing at market rates all outstanding agreements; this estimate of credit risk does not consider the impact that future changes in interest rates will have on such cost.

Commitments to purchase and sell money market instruments or securities and commitments to settle against financial indices under interest rate futures, forward, and option contracts were $149.3 billion and $94.7 billion at December 31, 1988 and 1987, respectively, and commitments to purchase and sell currencies under foreign currency spot, forward, cross currency swap, and option transactions were $434.2 billion and $341.8 billion at December 31, 1988 and 1987, respectively. These amounts are gross volume indicators only, and do not reflect the extent to which positions may offset one another. As discussed above, the amounts potentially subject to market and credit risk are substantially smaller than the gross volumes indicated here.

19. COMMITMENTS AND CONTINGENT LIABILITIES

Citicorp and its subsidiaries are obligated under a number of non-cancelable operating leases for premises and equipment, most of which have renewal or purchase options. Minimum rental commitments on non-cancelable operating leases, net of sublease income, are $336 million in 1989, $273 million in 1990, $235 million in 1991, $193 million in 1992, $157 million in 1993 and $792 million thereafter, totalling $1,986 million. Rental expense was $525 million in 1988 net of $36 million sublease rental income, $372 million in 1987 net of $66 million sublease rental income, and $351 million in 1986 net of $57 million sublease rental income.

At December 31, 1988, certain investment securities, trading account assets, and other assets with a carrying value of $11,374 million were pledged as collateral for borrowings to secure public and trust deposits and for other purposes.

Various legal proceedings are pending against Citicorp and its subsidiaries. Management of Citicorp considers that the aggregate liability, if any, resulting from these proceedings will not be material.

20. ADOPTION OF STATEMENT OF FINANCIAL ACCOUNTING STANDARDS NO. 91

In 1988, Citicorp adopted Statement of Financial Accounting Standards (SFAS) No. 91, "Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases."

Under SFAS No. 91, loan origination fees and certain direct loan origination costs are amortized over the appropriate lending or commitment period; loan syndication fees are recognized, when the syndication is complete, except that a portion is deferred, if necessary, to produce a yield on the retained loan amount equal to the average yield of other syndication participants. Citicorp's previous practices were substantially in compliance with the new rules, other than in certain aspects of its credit card and consumer mortgage businesses.

The statement was adopted on a retroactive basis, and financial statements of prior years have been restated to apply the new rules. The effect on income before extraordinary item and net income was a reduction of $30 million in 1988 and, on a restated basis, $44 million in 1987, and $30 million in 1986. Related per share amounts were reduced by $0.09 in 1988 and, on a restated basis $0.15 in 1987, and $0.11 in 1986. The cumulative decrease in stockholders' equity as of December 31, 1987, as a result of implementing SFAS No. 91, was $226 million.

21. FUTURE IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

In December 1987, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 96, "Accounting for Income Taxes." SFAS No. 96 significantly changes the method of accounting for income taxes for financial statement purposes, without affecting the actual cash tax liability. Under the new standard, income taxes will be recognized for the tax consequences of all events that have been recognized in the financial statements, calculated based on provisions of enacted tax laws, including the tax rates in effect for current or future years. Deferred tax assets whose realization is dependent on taxable earnings of future years will not be recognized. In December 1988, the FASB extended the effective date of SFAS No. 96 to fiscal years beginning after December 15, 1989.

Citicorp intends to adopt SFAS No. 96 on a retroactive basis on or before the effective date set by the FASB. It is expected that the principal effect will be a reduction in the net income originally reported for years prior to the effective implementation date, resulting in a cumulative reduction in retained earnings, primarily as a result of the more restrictive criteria under the new standard for recognizing certain deferred tax assets. While Citicorp is still in the process of evaluating the overall impact of adopting SFAS No. 96, the cumulative reduction in stockholders' equity due to the retroactive restatement is currently estimated to be approximately $350 million. However, Citicorp expects that it will ultimately realize, at the then prevailing tax rates, deferred tax assets whose recognition may be delayed under the new standard.

22. STOCKHOLDER'S EQUITY OF CITIBANK, N.A.

Authorized capital stock of Citibank was 40 million shares at December 31, 1988, 1987 and 1986.

Changes in Stockholder's Equity

IN MILLIONS OF DOLLARS	1988	1987	1986
Balance at Beginning of Year	$7,548	$ 7,069	$7,037
Additions			
Net Income (Loss)	$1,583	$(1,069)	$ 798
Contribution from Parent Company	2	1,178	508
Other Additions, Net	15	11	14
	$1,600	$ 120	$1,320
Deductions			
Cumulative Adjustment for SFAS No. 91 (Note 20)	$ —	$ —	$ 35
Dividends Declared	950	500	325
Foreign Currency Translation	49	52	18
Net Write-off (Amortization) of Intangibles Associated with Acquisition of Subsidiaries and Affiliates	(19)	(11)	10
	$ 900	$ 541	$ 388
BALANCE AT END OF YEAR	$8,188	$ 7,548	$7,069

Citibank charges retained earnings with the amount of goodwill associated with investments by Citibank in subsidiaries and affiliates to the extent required to carry the investments at a value not in excess of underlying book value. In accordance with generally accepted accounting principles, such charges are not reflected in the Citicorp financial statements, and the related amounts, net of amortization, aggregating $303 million, $352 million, and $316 million, at December 31, 1988, 1987, and 1986, respectively, are included in other assets in the Citicorp consolidated balance sheet. Citicorp's equity investment in Citibank amounted to $8,471 million, $7,900 million, and $8,285 million at December 31, 1988, 1987, and 1986, respectively.

23. CITICORP (PARENT COMPANY ONLY)

Condensed Statement of Operations

IN MILLIONS OF DOLLARS	1988	1987	1986
Revenue			
Dividends from Subsidiary Banks	$ 950	$ 500	$ 625
Dividends from Subsidiaries Other Than Banks	136	508	300
Interest from Subsidiaries	2,305	1,964	1,509
Other Revenue	78	99	13
	$3,469	$ 3,071	$2,447
Expense			
Interest on Other Borrowed Money	$1,106	$ 994	$ 830
Interest and Fees Paid to Subsidiaries	274	283	191
Interest on Long-Term Debt and Subordinated Capital Notes	1,537	1,509	1,325
Other Expense	16	21	23
	$2,931	$ 2,787	$2,369
Income Before Taxes and Equity in Undistributed Income (Loss) of Subsidiaries	$ 538	$ 284	$ 78
Income Tax Benefit—Current	178	320	433
Equity in Undistributed Income (Loss) of Subsidiaries, Before Extraordinary Item	982	(1,786)	517
Income (Loss) Before Extraordinary Item	$1,698	$(1,182)	$1,028
Equity in Extraordinary Item of Subsidiary	160	—	—
NET INCOME (LOSS)	$1,858	$(1,182)	$1,028

Various legal restrictions limit the extent to which certain subsidiaries of Citicorp can supply funds to Citicorp or its other subsidiaries and affiliates. In addition, the approval of the Comptroller of the Currency is required if total dividends declared by a national bank in any calendar year exceed the bank's net profits (as defined) for that year combined with its retained net profits for the preceding two calendar years. Under the formula as it applies to Citicorp's national bank subsidiaries (which at December 31, 1988 had combined net assets of approximately $9.5 billion), such bank subsidiaries can declare dividends in 1989 without approval of the Comptroller of the Currency of approximately $1.9 billion, plus an additional amount equal to their net profits for 1989 up to the date of any such dividend declaration.

Condensed Balance Sheet

IN MILLIONS OF DOLLARS	DECEMBER 31 1988	DECEMBER 31 1987
Assets		
Deposits with Subsidiary Banks, Principally Interest-Bearing	$ 3,331	$ 3,605
Investment Securities at Cost (Market value $1,018 in 1988 and $825 in 1987)	989	907
Investments in and Advances to Subsidiaries Other Than Banks	20,134	20,915
Investments in and Advances to Citibank, N.A. and Other Subsidiary Banks	11,191	10,021
Other Assets	738	714
TOTAL	$44,383	$44,162
Liabilities and Stockholders' Equity		
Purchased Funds and Other Borrowings	$14,630	$13,075
Advances from Subsidiaries	660	3,423
Other Liabilities	1,470	1,032
Long-Term Debt, Subordinated Capital Notes, and Redeemable Preferred Stock (Notes 8, 9, and 10)	17,530	17,448
Stockholders' Equity	9,864	8,584
TOTAL	$44,383	$44,162

Condensed Statement of Cash Flows

IN MILLIONS OF DOLLARS	1968
Cash Flows from Operating Activities	
Net Income	$ 1,058
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
Equity in Undistributed Income of Subsidiaries, Before Extraordinary Item	$ (902)
Equity in Extraordinary Item of Subsidiary	(160)
Net Change in Other Liabilities	438
Other, Net	(67)
Total Adjustments	$ (791)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,067
Cash Flows from Investing Activities	
Purchases of Investment Securities	$ (646)
Sales and Maturities of Investment Securities	576
Payments for Investments in and Advances to Subsidiaries	(349,886)
Sale or Repayment of Investments in and Advances to Subsidiaries	350,593
NET CASH PROVIDED BY INVESTING ACTIVITIES	$ 637
Cash Flows from Financing Activities	
Proceeds from Purchased Funds and Other Borrowings	$ 656,422
Repayments of Purchased Funds and Other Borrowings	(655,442)
Proceeds from Advances from Subsidiaries	12,925
Repayment of Advances from Subsidiaries	(15,470)
Proceeds from Issuance of Long-Term Debt	2,756
Repayment of Long-Term Debt	(2,641)
Proceeds from Issuance of Common Stock	36
Dividends Paid	(564)
NET CASH USED IN FINANCING ACTIVITIES	$ (1,078)
Net Decrease in Deposits with Subsidiary Banks	$ (274)
Deposits with Subsidiary Banks at Beginning of Year	3,605
DEPOSITS WITH SUBSIDIARY BANKS AT END OF YEAR	$ 3,331

Condensed Statement of Changes in Financial Position

IN MILLIONS OF DOLLARS	1967	1966
Funds Provided		
Net Income (Loss)	$(1,182)	$1,028
Deduct Equity in Undistributed Net Income (Loss) of Subsidiaries	(1,786)	517
Funds Derived from Operations	$ 604	$ 511
Increase in		
Purchased Funds and Other Borrowings	106	2,106
Long-Term Debt, Subordinated Capital Notes, and Redeemable Preferred Stock	1,211	4,909
Preferred Stock	225	150
Advances from Subsidiaries	1,084	1,341
Common Stock	1,138	285
Decrease in		
Deposits with Subsidiary Banks	332	136
TOTAL	$ 4,698	$9,438
Funds Used		
Cash Dividends Declared	$ 471	$ 325
Increase in		
Investment Securities	486	304
Investments in and Advances to Subsidiaries	3,449	8,458
Other, Net	292	351
TOTAL	$ 4,698	$9,438

FINANCIAL STATISTICS

QUARTERLY FINANCIAL INFORMATION

CITICORP AND SUBSIDIARIES

IN MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS	1988 4th	3rd	2nd	1st	1987(1) 4th	3rd	2nd	1st
Net Interest Revenue	$2,427	$1,783	$1,703	$1,602	$1,704	$1,571	$ 1,517	$1,545
Fees, Commissions, and Other Revenue	1,334	1,320	1,407	1,352	1,812	1,601	1,324	1,279
TOTAL REVENUE	$3,761	$3,103	$3,110	$3,044	$3,516	$3,172	$ 2,841	$2,824
Provision for Possible Credit Losses	$ 424	$ 302	$ 321	$ 203	$ 213	$ 320	$ 3,403	$ 474
Operating Expense	2,449	2,206	2,181	2,145	2,271	2,104	1,959	1,897
TOTAL EXPENSE	$2,873	$2,508	$2,502	$2,420	$2,484	$2,424	$ 5,362	$2,371
Income (Loss) Before Taxes and Extraordinary Item	$ 888	$ 595	$ 608	$ 616	$1,032	$ 748	$(2,521)	$ 453
Income Taxes	301	201	249	258	411	220	77	100
Income (Loss) Before Extraordinary Item	$ 587	$ 394	$ 359	$ 358	$ 621	$ 528	$(2,598)	$ 267
Extraordinary Item—Carryforward Tax Benefit(2)	160	—	—	—	—	—	—	—
NET INCOME (LOSS)	$ 747	$ 394	$ 359	$ 358	$ 621	$ 528	$(2,598)	$ 267
Earnings (Loss) Per Share(3)(4)								
Income (Loss) Before Extraordinary Item	$ 1.70	$ 1.13	$ 1.03	$ 1.01	$ 1.82	$ 1.78	$ (9.48)	$ .87
Net Income (Loss)	$ 2.19	$ 1.13	$ 1.03	$ 1.01	$ 1.82	$ 1.78	$ (9.48)	$ .87
Cash Dividends Declared								
Redeemable Preferred and Preferred Stock	$ 28	$ 26	$ 25	$ 26	$ 26	$23	$24	$19
Common Stock	$118	$119	$117	$107	$107	$94	$93	$85
Common Stock, Per Share(3)	$ .3700	$ .3700	$ .3700	$ .3375	$ .3375	$ .3375	$ .3375	$ .3075
TOTAL ASSETS	$207,666	$209,203	$205,113	$202,926	$203,430	$199,789	$194,244	$197,187
Common Stock Price Range(3)								
High	27	26⅝	25	22⅛	29½	34¼	32	30½
Low	24	22½	18⅝	18	15⅞	27¾	24	25
Close	25⅞	26⅛	24⅞	19⅛	18⅜	28¾	29½	25¼

(1) Prior-year amounts have been restated to reflect the adoption of SFAS No. 91. See Note 20 to the Financial Statements.
(2) See Note 15 to the Financial Statements.
(3) Per share amounts reflect the Two-for-One stock split declared on October 5, 1987.
(4) On net income (loss) available for common stockholders after deducting total preferred stock dividends.

RATIOS

	1988	1987[1]	1986[1]
Return on Average Total Assets[2]			
Before Extraordinary Item	.62%	(.60)%	.56%
After Extraordinary Item	.90%	(.60)%	.56%
Return on Common Stockholders' Equity[3]			
Before Extraordinary Item	21.4%	(19.6)%	13.7%
After Extraordinary Item	23.6%	(19.6)%	13.7%
Return on Total Stockholders' Equity[4]			
Before Extraordinary Item	19.8%	(14.7)%	12.4%
After Extraordinary Item	20.5%	(14.7)%	12.4%
Average Common Stockholders' Equity as a Percentage of Average Total Assets	3.59%	3.28%	3.70%
Average Total Stockholders' Equity as a Percentage of Average Total Assets	4.36%	4.05%	4.47%
Dividends Per Common Share as a Percentage of Income Per Common Share[5]			
Before Extraordinary Item	29.7%	N/M	26.7%
After Extraordinary Item	27.0%	N/M	26.7%

(1) Prior-year ratios have been restated to reflect the adoption of SFAS No. 91. See Note 20 to the Financial Statements.
(2) Income (loss) before extraordinary item and net income (loss) as a percentage of average total assets.
(3) Income (loss) before extraordinary item and net income (loss) less total preferred stock dividends as a percentage of average common stockholders' equity.
(4) Income (loss) before extraordinary item and net income (loss) less redeemable preferred stock dividends as a percentage of average total stockholders' equity.
(5) Beginning in the second quarter of 1986, common dividends are considered for declaration in July, October, January, and April, instead of June, September, December, and March. As a result, only three dividends were declared in 1986.
N/M Not meaningful.

10-K CROSS-REFERENCE INDEX

This Annual Report and Form 10-K incorporate into a single document the requirements of the accounting profession and the Securities and Exchange Commission, including a comprehensive explanation of 1988 results.

Certain statistical data required by the Securities and Exchange Commission are included on pages 25 to 28, and pages 68 to 73.

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*Citicorp's 1989 Proxy Statement is incorporated herein by reference.

FINANCIAL DATA SUPPLEMENT

AVERAGE BALANCES AND INTEREST RATES

TAXABLE EQUIVALENT BASIS[1]

IN MILLIONS OF DOLLARS

		1968 AVERAGE VOLUME	INTEREST	1968 % AVERAGE RATE
INTEREST REVENUE				
Loans (Net of Unearned Discount)[2]	Consumer Loans			
	In Domestic Offices	$ 64,888	$ 7,949	12.25
	In Overseas Offices	18,041	2,426	13.45
	Total Consumer Loans	$ 82,929	$10,375	12.51
	Commercial Loans			
	In Domestic Offices			
	Commercial and Industrial	$ 15,385	$ 1,797	11.68
	Mortgage and Real Estate	9,563	928	9.66
	Loans to Financial Institutions	919	108	11.75
	Lease Financing	2,390	253	10.59
	In Overseas Offices[3]	31,495	7,132	22.64
	Total Commercial Loans	$ 59,772	$10,218	17.09
	Total Loans	$142,701	$20,593	14.43
Funds Sold and Resale Agreements	In Domestic Offices	$ 8,381	$ 569	6.79
	In Overseas Offices	729	665	91.22
	Total	$ 9,110	$ 1,234	13.55
Investment Securities	In Domestic Offices			
	U.S. Treasury and Federal Agency	$ 3,007	$ 263	8.66
	State and Municipal	1,539	164	10.66
	Other	2,853	234	8.20
	In Overseas Offices			
	(Principally local government issues)	6,876	643	9.43
	Total	$ 14,275	$ 1,304	9.13
Trading Account Assets	In Domestic Offices	$ 1,656	$ 154	9.30
	In Overseas Offices	4,490	2,056	45.79
	Total	$ 6,146	$ 2,210	35.96
Interest-Bearing Deposits	Principally in Overseas Offices	$ 13,604	$ 1,362	10.01
	Total Interest-Earning Assets	$185,836	$26,703	14.37
	Non-Interest-Earning Assets	21,270		
	TOTAL ASSETS	$207,106		
INTEREST EXPENSE				
Deposits	In Domestic Offices			
	Savings Deposits[4]	$ 20,394	$ 1,160	5.69
	Negotiable Certificates of Deposit	3,331	292	8.77
	Other Time Deposits	23,763	2,038	8.58
	In Overseas Offices	57,743	7,122	12.33
	Total	$105,231	$10,612	10.08
Funds Borrowed	In Domestic Offices			
	Purchased Funds and Other Borrowings			
	Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	$ 12,735	$ 1,016	7.98
	Commercial Paper	9,694	721	7.44
	Other Purchased Funds	8,008	671	8.38
	Long-Term Debt, Convertible Notes and Subordinated Capital Notes	20,097	1,848	8.84
	In Overseas Offices	9,491	4,130	43.60
	Total	$ 60,825	$ 8,304	13.80
	Total Interest-Bearing Liabilities	$166,056	$19,008	11.45
	Demand Deposits in Domestic Offices	10,050		
	Other Non-Interest-Bearing Liabilities	21,973		
	Total Stockholders' Equity	9,027		
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$207,106		
NET INTEREST REVENUE AS A PERCENTAGE OF AVERAGE INTEREST-EARNING ASSETS	In Domestic Offices	$111,180	$ 4,697	4.23
	In Overseas Offices	74,678	3,000	4.02
	TOTAL	$185,836	$ 7,697	4.14

(1) The taxable equivalent adjustment is based on the marginal tax rates of 34% in 1968, 40% in 1967, and 40% in 1966.
(2) Loans and interest-bearing deposits in the table at left include cash basis loans and cash basis bank placements, respectively.
(3) Interest revenue and net interest revenue for 1968 include approximately $313 million of interest relating to the year 1967 on Eurodollar medium- and long-term outstandings carried on a cash basis. Excluding such interest, the 1968 average rate for commercial loans in overseas offices would be 21.16%, for total commercial loans would be 16.54%, and for total loans would be 14.20%, and 1968 net interest revenue as a percentage of average interest-earning assets would be 3.95%.
(4) Savings deposits consist of Insured Money Market Rate accounts, NOW accounts, and other savings deposits.

Average volume	Interest	1987 % Average rate	Average volume	Interest	1986 % Average rate
$ 66,475	$ 8,005	12.23	$ 49,823	$ 6,499	13.10
15,001	2,148	14.23	11,483	1,642	14.30
$ 71,666	$ 9,053	12.09	$ 61,166	$ 8,141	13.32
$ 15,351	$ 1,604	10.46	$ 14,603	$ 1,504	10.30
8,047	820	9.23	8,074	676	9.09
840	96	11.31	482	62	12.80
1,429	135	9.45	1,199	102	8.53
33,847	5,509	16.28	30,775	5,134	13.06
$ 60,423	$ 8,170	13.52	$ 60,030	$ 7,478	12.46
$131,089	$17,223	13.05	$121,196	$15,619	12.89
$ 7,514	$ 456	6.07	$ 6,743	$ 403	5.98
642	269	41.90	909	289	31.79
$ 8,156	$ 725	8.89	$ 7,652	$ 692	9.04
$ 3,221	$ 272	8.44	$ 2,550	$ 245	9.61
1,365	144	10.63	697	54	10.00
1,663	114	6.77	1,330	117	8.80
7,251	770	10.62	5,984	680	11.36
$ 13,510	$ 1,300	9.62	$ 10,401	$ 1,096	10.54
$ 1,446	$ 109	7.54	$ 3,640	$ 308	8.45
5,769	1,396	24.02	4,475	502	11.22
$ 7,215	$ 1,495	20.72	$ 8,121	$ 810	9.97
$ 15,320	$ 1,261	8.23	$ 13,051	$ 1,072	8.21
$178,196	$22,004	12.40	$160,361	$19,280	12.03
22,276			23,503		
$198,472			$183,864		
$ 19,660	$ 1,057	5.37	$ 17,219	$ 977	5.67
1,972	186	9.43	1,953	182	9.32
20,115	1,677	8.34	21,108	1,824	8.64
59,965	6,180	10.32	56,534	5,208	9.21
$101,732	$ 9,100	8.95	$ 96,814	$ 8,191	8.46
$ 11,206	$ 791	7.06	$ 10,433	$ 740	7.09
9,309	622	6.68	6,208	422	6.80
6,225	560	9.00	5,865	552	9.41
20,541	1,773	8.63	17,075	1,611	9.43
9,892	2,673	27.02	9,046	1,580	17.47
$ 57,173	$ 6,419	11.23	$ 48,827	$ 4,905	10.09
$158,905	$15,528	9.77	$145,441	$13,096	9.00
10,076			9,428		
21,446			20,766		
8,045			8,227		
$198,472			$183,864		
$ 97,725	$ 4,033	4.13	$ 86,959	$ 3,705	4.26
78,471	2,443	3.11	73,402	2,488	3.39
$176,196	$ 6,476	3.68	$160,361	$ 6,193	3.86

ANALYSIS OF CHANGES IN NET INTEREST REVENUE

TAXABLE EQUIVALENT BASIS

IN MILLIONS OF DOLLARS	1988 vs. 1987 INCREASE (DECREASE) DUE TO CHANGE IN AVERAGE VOLUME	AVERAGE RATE	NET CHANGE[1]	1987 vs. 1986 INCREASE (DECREASE) DUE TO CHANGE IN AVERAGE VOLUME	AVERAGE RATE	NET CHANGE[1]
Loans—Consumer						
In Domestic Offices	$1,031	$ 13	$1,044	$ 857	$ (451)	$ 406
In Overseas Offices	402	(124)	278	514	(8)	506
Total	$1,433	$ (111)	$1,322	$1,371	$ (459)	$ 912
Loans—Commercial						
In Domestic Offices	$ 177	$ 248	$ 425	$ 333	$ (16)	$ 317
In Overseas Offices[2]	(406)	2,029	1,623	(432)	807	375
Total	$ (229)	$2,277	$2,048	$ (99)	$ 791	$ 692
Total Loans	$1,204	$2,166	$3,370	$1,272	$ 332	$1,604
Funds Sold & Resale Agreements						
In Domestic Offices	$ 56	$ 57	$ 113	$ 47	$ 6	$ 53
In Overseas Offices	41	355	396	(98)	78	(20)
Total	$ 97	$ 412	$ 509	$ (51)	$ 84	$ 33
Investment Securities						
In Domestic Offices	$ 105	$ 26	$ 131	$ 159	$ (45)	$ 114
In Overseas Offices	(44)	(83)	(127)	137	(47)	90
Total	$ 61	$ (57)	$ 4	$ 296	$ (92)	$ 204
Trading Account Assets						
In Domestic Offices	$ 17	$ 28	$ 45	$ (169)	$ (30)	$ (199)
In Overseas Offices	(362)	1,032	670	179	705	884
Total	$ (345)	$1,060	$ 715	$ 10	$ 675	$ 685
Interest-Bearing Deposits						
Principally In Overseas Offices	$ (152)	$ 253	$ 101	$ 187	$ 2	$ 189
TOTAL INTEREST REVENUE	$ 865	$3,834	$4,699	$1,714	$1,001	$2,715
Deposits						
In Domestic Offices	$ 415	$ 155	$ 570	$ 108	$ (171)	$ (63)
In Overseas Offices	(236)	1,169	933	328	653	981
Total	$ 179	$1,324	$1,503	$ 436	$ 482	$ 918
Funds Borrowed						
In Domestic Offices	$ 330	$ 180	$ 510	$ 618	$ (197)	$ 421
In Overseas Offices	(112)	1,577	1,465	160	933	1,093
Total	$ 218	$1,757	$1,975	$ 778	$ 736	$1,514
TOTAL INTEREST EXPENSE	$ 397	$3,081	$3,478	$1,214	$1,218	$2,432
NET INTEREST REVENUE	$ 468	$ 753	$1,221	$ 500	$ (217)	$ 283

(1) Rate/volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total "net change."

(2) Interest revenue and net interest revenue for 1988 include approximately $333 million of interest relating to the year 1987 on Brazilian medium- and long-term outstandings carried on a cash basis.

INVESTMENT SECURITIES

CARRYING VALUE AND YIELD[1] BY MATURITY DATE AS OF DECEMBER 31, 1988

IN MILLIONS OF DOLLARS	U.S. TREASURY AND FEDERAL AGENCY		STATE AND MUNICIPAL		OTHER (PRINCIPALLY IN OVERSEAS OFFICES)	
	AMOUNT	YIELD	AMOUNT	YIELD	AMOUNT	YIELD
Due Within 1 Year	$ 474	8.12%	$ 64	3.58%	$ 3,296	[2]
After 1 but Within 5 Years	840	9.33%	225	4.88%	2,542	[2]
After 5 but Within 10 Years	582	9.13%	335	6.59%	2,133	[2]
After 10 Years	1,709	10.30%	1,152	6.76%	2,065	[2]
TOTAL	**$3,405**	**9.66%**	**$1,776**	**6.66%**	**$10,036**	
Carrying Value and Yield[1] as of December 31, 1987	$ 3,627	9.67%	$ 1,793	7.15%	$ 9,976	
Carrying Value and Yield[1] as of December 31, 1986	$ 3,228	9.22%	$ 1,955[3]	5.79%	$ 7,697	

(1) Computed by dividing annual interest (net of amortization of premium or accretion of discount) by the carrying value of the respective investment securities at December 31, 1988, 1987, and 1986.
(2) Yield information was not readily available.
(3) Certain state and municipal securities were transferred at their market value of $699 million from trading to investment securities to reflect Citicorp's intention to hold these securities as long-term investments in consideration of certain provisions of the Tax Reform Act of 1986. Other than in this instance, no transfers were made between investment and trading portfolios.

LOANS OUTSTANDING

IN MILLIONS OF DOLLARS AT YEAR END	1988	1987	1986	1985	1984
Consumer Loans					
In Domestic Offices					
Mortgage and Real Estate[1]	**$ 38,343**	$ 31,523	$ 27,991	$ 21,719	$ 17,679
Installment, Revolving Credit, and Other	**33,222**	31,479	29,700	27,490	21,913
Lease Financing	**505**	347	243	56	2
	$ 70,070	$ 63,349	$ 57,934	$ 49,265	$ 39,594
In Overseas Offices	**22,971**	20,200	15,136	11,068	7,816
	$ 93,041	$ 83,549	$ 73,070	$ 60,333	$ 47,410
Unearned Discount	**(2,685)**	(3,844)	(4,319)	(4,538)	(4,598)
Consumer Loans, Net of Unearned Discount	**$ 90,356**	$ 79,705	$ 68,751	$ 55,795	$ 42,812
Commercial Loans					
In Domestic Offices					
Commercial and Industrial[2]	**$ 15,225**	$ 14,109	$ 16,994	$ 13,514	$ 16,028
Mortgage and Real Estate[1]	**9,822**	8,759	7,637	6,165	4,912
Loans to Financial Institutions	**660**	611	884	919	730
Government and Official Institutions	**344**	315	415	434	273
Lease Financing	**2,878**	1,558	1,289	1,198	859
	$ 28,929	$ 25,352	$ 27,219	$ 22,230	$ 22,802
In Overseas Offices					
Commercial and Industrial[2]	**$ 18,107**	$ 21,257	$ 23,101	$ 25,683	$ 25,235
Mortgage and Real Estate[1]	**2,897**	2,441	2,330	2,143	1,906
Loans to Financial Institutions	**3,517**	4,110	4,375	5,363	5,827
Governments and Official Institutions	**4,981**	4,750	4,170	4,434	4,298
Lease Financing	**900**	898	1,260	1,214	1,080
	$ 30,402	$ 33,456	$ 35,236	$ 38,837	$ 38,346
	$ 59,331	$ 58,808	$ 62,455	$ 61,067	$ 61,148
Unearned Discount	**(490)**	(593)	(467)	(483)	(410)
Commercial Loans, Net of Unearned Discount	**$ 58,841**	$ 58,210	$ 61,988	$ 60,584	$ 60,738
Allowance for Possible Credit Losses	**$ (4,205)**	$ (4,618)	$ (1,698)	$ (1,235)	$ (917)
TOTAL LOANS, NET	**$144,992**	$133,297	$129,041	$115,144	$102,633

(1) Includes only loans secured primarily by real estate.
(2) Includes loans not otherwise separately categorized.

DETAIL OF CREDIT LOSS EXPERIENCE

IN MILLIONS OF DOLLARS	1988	1987	1986	1985	1984
ALLOWANCE FOR POSSIBLE CREDIT LOSSES AT BEGINNING OF YEAR	**$4,618**	$1,698	$1,235	$ 917	$771
Deductions					
GROSS CREDIT LOSSES					
Consumer[1]					
In Domestic Offices[2]	**$1,352**	$1,075	$1,050	$ 642	$320
In Overseas Offices	**200**	196	122	77	66
Commercial					
Mortgage and Real Estate:					
In Domestic Offices	**15**	4	—	2	5
In Overseas Offices	**9**	33	33	15	3
Governments and Official Institutions (In overseas offices)	**210**	136	37	44	40
Loans to Financial Institutions (In overseas offices)	**27**	29	19	19	9
Commercial and Industrial:					
In Domestic Offices	**89**	107	100	84	83
In Overseas Offices	**246**	308	300	278	137
	$2,156	$1,888	$1,661	$1,161	$663
CREDIT RECOVERIES					
Consumer[1]					
In Domestic Offices	**$ 219**	$ 184	$ 174	$ 111	$ 81
In Overseas Offices	**85**	63	40	23	19
Commercial					
Mortgage and Real Estate:					
In Domestic Offices	**—**	—	1	2	6
In Overseas Offices	**3**	14	3	1	4
Governments and Official Institutions (In overseas offices)	**1**	20	4	8	—
Loans to Financial Institutions (In overseas offices)	**2**	6	—	—	—
Commercial and Industrial:					
In Domestic Offices	**30**	40	27	25	25
In Overseas Offices	**64**	64	41	29	21
	$ 404	$ 391	$ 290	$ 199	$156
NET CREDIT LOSSES					
In Domestic Offices	**$1,207**	$ 962	$ 848	$ 590	$296
In Overseas Offices	**545**	535	423	372	211
	$1,752	$1,497	$1,371	$ 962	$507
Additions					
Provision for Possible Credit Losses	**$1,330**	$4,410	$1,825	$1,243	$619
Other (Principally from allowance balances of acquired companies and translation of overseas allowance balances)	**9**	7	9	37	34
	$1,339	$4,417	$1,834	$1,280	$653
ALLOWANCE FOR POSSIBLE CREDIT LOSSES AT END OF YEAR	**$4,205**	$4,618	$1,698	$1,235	$917
Ratio of Consumer Net Credit Losses to Average Consumer Loans	**1.50**	1.43	1.57	1.22	.78
Ratio of Commercial Net Credit Losses to Average Commercial Loans	**.84**	.78	.69	.63	.37

(1) Consumer credit losses primarily relate to installment and revolving credit loans.
(2) Gross consumer credit losses in domestic offices in 1988 include approximately $108 million from the phase-out of the mobile home and certain automobile lending businesses.

LOAN MATURITIES AND SENSITIVITY TO CHANGES IN INTEREST RATES

THE MATURITIES OF THE GROSS COMMERCIAL LOAN PORTFOLIO AS OF DECEMBER 31, 1988

IN MILLIONS OF DOLLARS	DUE WITHIN 1 YEAR	OVER 1 BUT WITHIN 5 YEARS	OVER 5 YEARS	TOTAL[1]
In Domestic Offices				
Commercial and Industrial Loans	$ 8,105	$ 4,465	$2,655	**$15,225**
Mortgage and Real Estate	3,231	4,902	1,689	**9,822**
All Other Loans	603	240	161	**1,004**
In Overseas Offices	18,804	6,076	4,622	**29,502**
TOTAL	$30,743	$15,683	$9,127	**$55,553**
The Following Table Represents the Sensitivity of the Above Loans Due After One Year to Changes in Interest Rates:				
Loans at Predetermined Interest Rates		$ 2,545	$1,042	
Loans at Floating or Adjustable Interest Rates		13,138	8,085	
TOTAL		$15,683	$9,127	

(1) Excludes lease financing.

TIME DEPOSITS IN DOMESTIC OFFICES AS OF DECEMBER 31, 1988

($100,000 OR MORE) IN MILLIONS OF DOLLARS	CERTIFICATES OF DEPOSIT	OTHER TIME DEPOSITS
Under 3 Months	$2,805	$2,814
3 to 6 Months	1,132	560
6 to 12 Months	1,877	1,272
Over 12 Months	2,379	3,069

AVERAGE DEPOSIT LIABILITIES IN OVERSEAS OFFICES

	1988		1987		1986	
IN MILLIONS OF DOLLARS	AVERAGE BALANCE	% AVERAGE INTEREST RATE	AVERAGE BALANCE	% AVERAGE INTEREST RATE	AVERAGE BALANCE	% AVERAGE INTEREST RATE
Banks[1]	**$13,994**	**22.19**	$17,222	15.06	$17,729	9.65
Other Demand Deposits	**15,541**	**4.78**	13,549	4.38	8,330	4.73
Other Time and Savings Deposits[1]	**34,832**	**9.40**	33,283	9.02	33,961	9.15
TOTAL	**$64,367**	**11.06**	$64,054	9.66	$60,020	8.68

(1) Primarily consists of time certificates of deposit and other time deposits in denominations of $100,000 or more.

EFFECTS OF INFLATION

The impact of inflation on Citicorp and other financial institutions is significantly different from the impact on industries that require a high proportion of investment in fixed assets. The assets and liabilities of a financial institution are primarily monetary in nature. During periods of inflation, monetary assets lose value in terms of purchasing power, and monetary liabilities have corresponding purchasing power gains. The financial statements and other data appearing in this annual report, and in particular the discussion of interest rate risk management on page 34, illustrate how Citicorp operates in an environment of changing interest rates and inflationary trends.

CONSENT OF INDEPENDENT AUDITORS

KPMG Peat Marwick

Peat Marwick Main & Co.
Certified Public Accountants

The Board of Directors
Citicorp

We consent to incorporation by reference of our report dated January 17, 1989, relating to the consolidated balance sheet of Citicorp and subsidiaries as of December 31, 1989 and 1987, the related consolidated statements of operations and changes in stockholders' equity for each of the years in the three-year period ended December 31, 1988, cash flows for the year ended December 31, 1988, changes in financial position for each of the years in the two-year period ended December 31, 1987, and the consolidated balance sheet of Citibank, N.A. and subsidiaries as of December 31, 1988 and 1987, which report appears on page 41 of the 1988 Citicorp Annual Report and Form 10-K, in the following Registration Statements: of Citicorp, Nos. 2-77058, 2-47648, 2-58678, 2-58679, 2-47547, 2-82208, 33-5504, 33-21332 and 33-21331 on Form S-8 and 33-22769, 33-3114, 33-11928, 33-20692, 33-15806, 33-18754, 33-26018 and 33-784 on Form S-3; and of Citicorp Mortgage Securities, Inc., Citibank, N.A., and other affiliates, Nos. 33-9979, 33-5702, 33-10349, 33-19481, 33-3161, 33-6358, 33-8718, 33-19570, and 33-25068 on Form S-11

Peat Marwick Main & Co.

New York, New York
March 3, 1989

PROPERTIES

The principal offices of Citicorp and Citibank, N.A. ("Citibank") are located at 399 Park Avenue, New York, New York, a 39-story building of which two thirds is owned by Citibank. Citibank also owns one third of Citicorp Center, a 59-story building located at 153 East 53rd Street across Lexington Avenue from 399 Park Avenue. Citicorp occupies all of the space it owns and leases back all of the unowned space it occupies in both buildings. The primary term of the leases in both buildings expires at the end of December 1989, with three one-year options. A 50-story addition to the New York headquarters complex is under construction in Long Island City, Queens. The new building, Citicorp at Court Square, will be fully occupied by Citicorp with initial occupancy occurring in February 1989. Citibank also owns 111 Wall Street in New York, which is totally occupied by Citicorp and its affiliates. In addition, Citicorp has major domestic corporate real estate holdings in Los Angeles, San Francisco, Chicago, Phoenix, and Sioux Falls, South Dakota.

Internationally, Citicorp owns major corporate premises in various cities throughout the world including Paris, London, Düsseldorf, Buenos Aires, Rio de Janeiro, São Paulo, Mexico City, San Juan, Caracas, Hong Kong, Manila, Seoul, and Tokyo. Forty-four percent of Citicorp-owned corporate real estate is located outside the United States. Of the approximately 2,100 offices and other facilities of Citicorp located throughout the world, 445 are owned, and the balance are leased.

EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

Financial Statements Filed for
Citicorp and Subsidiaries:
- Consolidated Statement of Operations
- Consolidated Balance Sheet
- Consolidated Statement of Changes in Stockholders' Equity
- Consolidated Statement of Cash Flows
- Consolidated Statement of Changes in Financial Position

Citicorp filed no Current Report on Form 8-K in the last quarter in the year ended December 31, 1988.

Citicorp's significant subsidiaries (as defined) and their place of incorporation or organization include:

Citibank, N.A.	United States
Citibank (South Dakota), N.A.	United States
Citicorp Banking Corporation	Delaware
Citicorp Holdings, Inc.	Delaware

Other subsidiaries of Citicorp and their place of incorporation or organization include:

AMBAC Indemnity Corporation	Wisconsin
Citibank (Arizona)	Arizona
Citibank (Delaware)	Delaware
Citibank (Maryland), N.A.	United States
Citibank (Nevada), N.A.	United States
Citicorp Investment Bank, Limited	United Kingdom
Citicorp Mortgage, Inc.	Delaware
Citicorp North America, Inc.	Delaware
Citicorp Real Estate, Inc.	Delaware
Citicorp Savings, FSLA	United States
Citicorp Savings of Florida, FSLA	United States
Citicorp Savings of Illinois, FSLA	United States
Citicorp Savings of Washington, D.C., FSLA	United States
Citicorp Scrimgeour Vickers Ltd.	United Kingdom
Citicorp Securities Markets, Inc.	Delaware
Control Systems, Inc.	Delaware

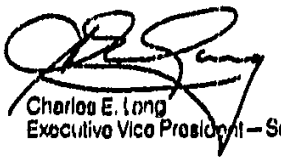
Citicorp's Restated Certificate of Incorporation, as amended, By-Laws, and instruments Defining the Rights of Securities Holders, including indentures and constituent instruments, have been previously filed with the Commission as exhibits to various Citicorp registration statements.

Stockholders may obtain copies of such documents by writing Citibank, N.A., Corporate Administration, 399 Park Avenue, New York, New York 10043.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

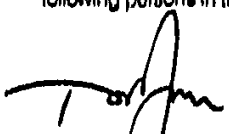
CITICORP
(Registrant)



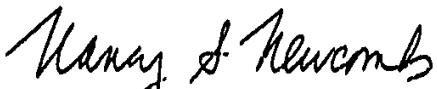
Charles E. Long
Executive Vice President—Secretary

March 3, 1989

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed on March 3, 1989 by the following persons in the capacities indicated.



Thomas R. Jones
Senior Corporate Officer
A Principal Financial Officer



Nancy S. Newcomb
Senior Corporate Officer
A Principal Financial Officer

John S. Reed (Citicorp's Principal Executive Officer) and the Directors of Citicorp (listed below) executed a power of attorney appointing Charles E. Long their attorney-in-fact, empowering him to sign this report on their behalf.

Hans H. Angermueller
Richard S. Braddock
Michael A. Callen
Colby H. Chandler
Paul J. Collins
Kenneth T. Derr
John M. Deutch
James H. Evans
James D. Farley
Lawrence E. Fouraker
Clifton C. Garvin, Jr.
John W. Hanley
H.J. Haynes
Juanita M. Kreps
C. Peter McColough
Charles M. Pigott
Donald V. Seibert
Frank A. Shrontz
Mario H. Simonson
Lawrence M. Small
Roger B. Smith
Franklin A. Thomas
Edgar S. Woolard, Jr.

Audit Committee supervises independent audits of Citicorp and oversees the establishment of appropriate accounting policies for Citicorp and Citibank.

Members: Donald V. Seibert, Chairman, Kenneth T. Derr, John M. Deutch, John W. Hanley, Charles M. Pigott, Frank A. Shrontz, Dr. Mario H. Simonsen, and Roger B. Smith.

The Audit Committee, whose members are all independent outside directors, meets at least four times each year with the Corporation's independent auditors, its principal financial officer/accounting, and the chief auditor.

One of its principal functions is to review the audit plans and scope of examination of both the independent auditors and the Corporation's internal audit division. In addition, it is the responsibility of this committee to recommend to the Board the annual appointment of the outside auditors. The Board accepted the recommendation that Peat Marwick Main & Co. be retained for 1990, and this proposal will be presented to the stockholders for approval at the annual meeting.

The findings of internal and external auditors and external regulatory agencies are reviewed, and responses to their findings are monitored to insure that appropriate follow-up measures are taken. These are reviewed with and without the presence of management and in separate meetings with Peat Marwick Main & Co. with no members of management present. The committee also meets annually with representatives of the principal regulatory agencies, who personally present the results of their examinations. The results of these examinations, along with our own findings, are reported regularly to the full Board.

It is also the function of this committee to oversee the accounting policies used in preparing the financial statements of Citicorp and Citibank.

Donald V. Seibert

DONALD V. SEIBERT
Chairman

Committee on Directors recommends qualified candidates for membership on the Boards of Directors of Citicorp and Citibank.

Members: John S. Reed, Chairman; Dr. Lawrence E. Fouraker, Clifton C. Garvin, Jr., John W. Hanley, Dr. Juanita M. Kreps, and Frank A. Shrontz.

The Committee on Directors actively solicits recommendations for prospective directors from their current members and stockholders and, consistent with the needs of the corporation and representation of the various services and customers, recommends the approval of a candidate. The nominees are then presented to the full Board, which proposes the slate of directors to be submitted to the stockholders at the annual meeting. In addition, the committee is charged with keeping current and recommending changes in directors' compensation.

JOHN S. REED
Chairman

Committee on Subsidiaries (Citicorp)

Members: Paul J. Collins, Chairman; Clifton C. Garvin, Jr., H.J. Haynes, Donald V. Seibert, and Franklin A. Thomas.

This committee is responsible for reviewing principal subsidiaries of Citicorp including, but not limited to, Citibank, N.A. The committee reviews the corporation's subsidiary structure and processes for managing subsidiaries, as well as the principal subsidiaries' financial statements and capital position. The Chairman of the committee reports periodically to the Boards of Directors of both Citicorp and Citibank.

PAUL J. COLLINS
Chairman

Consulting Committee (Citibank)

Members: D. Wayne Calloway, Colby H. Chandler, Kenneth T. Derr, John M. Deutch, James H. Evans, Dr. Lawrence E. Fouraker, John W. Hanley, Dr. Juanita M. Kreps, C. Peter McColough, Charles M. Pigott, Frank A. Shrontz, Dr. Mario H. Simonsen, Roger B. Smith, and Edgar S. Woolard, Jr.

This committee, composed of those Citicorp directors who are not also directors of Citibank, attends all meetings of the Board of Directors of Citibank and remains available to Citibank's Board as consultants on an "as needed" basis.

JOHN S. REED
Chairman

Executive Committee (Citicorp)

Members: James H. Evans, Clifton C. Garvin, Jr., John W. Hanley, Dr. Juanita M. Kreps, Charles M. Pigott, Donald V. Seibert, and Franklin A. Thomas.
Ex-Officio Members: John S. Reed, Hans H. Angermueller, Paul J. Collins, and James D. Farley.

These committees are specifically designated in the By-Laws of Citicorp and Citibank:

Citicorp's Executive Committee is composed of the Chairman and each Vice Chairman who is a Director, all of whom shall be ex-officio members, and such additional directors, not fewer than three, who are not officers or employees of Citicorp or any of its subsidiaries. The committee members are appointed by the Board and shall serve until the next annual organization meeting of the Board and until their successors are appointed. Meetings are held upon call of the Chairman or, in his absence, any Vice Chairman. A majority of the members including at least one ex-officio member shall constitute a quorum at any meeting.

Executive Committee (Citibank)

Citibank's Executive Committee shall consist of at least three directors attending a regular or special meeting of the Board where a quorum is not present. Special meetings of the Executive Committee may be called at any time by the Chairman or, in his absence, any Vice Chairman or on the written request of any three members of the Board. Notice of such meeting shall be sufficient even though it refers only to a meeting of the Board.

JOHN S. REED
Chairman

Fiduciary Review Committee oversees the administration of the fiduciary powers of Citicorp.

Members: H J. Haynes, Chairman; Colby H. Chandler, Charles M. Pigott, Donald V. Seibert, Roger B. Smith, and Franklin A. Thomas.

The Fiduciary Review Committee monitors fiduciary activities conducted through subsidiaries and affiliates around the world. These activities include portfolio management accounts and the management and administration of trust and agency accounts, such as personal trusts, estates, and corporate trusteeships. The committee also reviews policies and controls in such areas of fiduciary responsibility as investment standards and conflicts of interest.

H.J. HAYNES
Chairman

Financial Institutions Acquisition Committee of Citicorp and Citibank.

Members: John S. Reed, Chairman; Hans H. Angermueller, Richard S. Braddock, Michael A Callen, Paul J. Collins, James D. Farley, and Lawrence M. Small.

This committee, composed of directors of Citicorp and Citibank who are also senior executives of Citicorp/Citibank, has as its function the approval, within certain limits, of the acquisition, both domestically and internationally, of financial services institutions. Approval by a majority of the members constitutes committee action. Each acquisition is reported to the full Board of Directors of Citicorp at the meeting immediately following approval by the committee, and a summary of all acquisitions approved by the committee is presented to the full Board of Directors annually.

JOHN S. REED
Chairman

Personnel Committee oversees employee policies and programs of Citicorp and Citibank.

Members: Clifton C. Garvin, Jr., Chairman; H. J. Haynes, Donald V. Seibert, and Franklin A Thomas.

The Personnel Committee reviews and approves compensation policy and other personnel-related programs to maintain an environment at Citicorp/Citibank that attracts and retains people of high capability, commitment, and integrity. In addition, the committee oversees succession planning and employee benefit programs.

CLIFTON C. GARVIN, JR.
Chairman

Public Issues Committee reviews Citicorp's policies and performance on matters of public concern.

Members: Franklin A. Thomas, Chairman; Hans H. Angermueller, John M. Deutch, James H. Evans, John W. Hanley, Dr. Juanita M. Kreps, and C. Peter McColough.

The Public Issues Committee's mission is to assure that the public interest is maintained in the performance of our business roles and in achieving a more competitive business environment. The committee reviews the corporation's policy, posture, practices, and programs relating to public issues of significance to Citicorp.

FRANKLIN A. THOMAS
Chairman

CITICORP AND CITIBANK DIRECTORS

The Boards of Directors of Citicorp and Citibank meet on the third Tuesday of every month to administer the affairs of the organizations. Certain specific operations and areas of the corporation and the bank are regularly monitored by the Directors' committees, whose activities are described on the preceding pages.

' Director of Citicorp
△ Director of Citibank

HANS H. ANGERMUELLER '△
Vice Chairman
Citicorp and Citibank, N.A.

RICHARD S. BRADDOCK '△
Sector Executive
Citicorp and Citibank, N.A.

MICHAEL A. CALLEN '△
Sector Executive
Citicorp and Citibank, N.A.

D. WAYNE CALLOWAY '
Chairman and
Chief Executive Officer
PepsiCo, Inc.

COLBY H. CHANDLER '
Chairman and
Chief Executive Officer
Eastman Kodak Company

PAUL J. COLLINS '△
Vice Chairman
Citicorp and Citibank, N.A.

KENNETH T. DERR '
Chairman and
Chief Executive Officer
Chevron Corporation

JOHN M. DEUTCH '
Provost
Massachusetts Institute
of Technology

JAMES H. EVANS '
Retired Chairman
Union Pacific Corporation

JAMES D. FARLEY '△
Vice Chairman
Citicorp and Citibank, N.A.

DR. LAWRENCE E. FOURAKER '
Professor Emeritus
Graduate School of
Business Administration
Harvard University

CLIFTON C. GARVIN, JR. '△
Former Chairman
of the Board
Exxon Corporation

JOHN W. HANLEY '
Director and Former
Chairman of the Board
Monsanto Company

H.J. HAYNES '△
Senior Counselor
Bechtel Group, Inc.

DR. JUANITA M. KREPS '
Former United States
Secretary of Commerce

C. PETER McCOLOUGH '
Director and Former
Chairman of the Board
Xerox Corporation

CHARLES M. PIGOTT '
Chairman and
Chief Executive Officer
PACCAR Inc.

JOHN S. REED '△
Chairman
Citicorp and Citibank, N.A.

DONALD V. SEIBERT '△
Director and Former Chairman
of the Board
J. C. Penney Company, Inc.

FRANK A. SHRONTZ '
Chairman and
Chief Executive Officer
The Boeing Company

DR. MARIO H. SIMONSEN '
Vice Chairman
Brazilian Institute of Economics
The Getulio Vargas Foundation

LAWRENCE M. SMALL '△
Sector Executive
Citicorp and Citibank, N.A.

ROGER B. SMITH '
Chairman and
Chief Executive Officer
General Motors Corporation

FRANKLIN A. THOMAS '△
President
The Ford Foundation

EDGAR S. WOOLARD, JR. '
President and
Chief Operating Officer
E.I. du Pont de Nemours & Company

CITICORP SENIOR MANAGEMENT

Hans H. Angermueller
Robert D. Bailey
Richard S. Braddock
Michael A. Callen
Pei-yuan Chia
Paul J. Collins
George L. Davis
James D. Farley
Pamela P. Flaherty
David E. Gibson
Lawrence R. Glenn
Guenther E. Greiner
William J. Heron, Jr.
Daniel T. Jacobsen
Thomas E. Jones
Phillip B. Lassiter
Charles E. Long
Alan S. MacDonald
Anthony G. Mantzavinos
Robert H. Martinsen
Victor J. Menezes
Patrick J. Mulhern
Nancy S. Newcomb
John S. Reed
William R. Rhodes
Ira S. Rimerman
John J. Roche
Peter H. Schuring
Lawrence M. Small
Sheridan L. Steinberg
David S. Van Pelt
Alan J. Weber

STOCKHOLDER INFORMATION

NOTICE OF THE ANNUAL MEETING

The annual meeting of stockholders will be held on Tuesday, April 18, 1989, at 11:00 a.m., in the auditorium of Citicorp Headquarters at 399 Park Avenue, New York, NY.

A formal notice of this meeting, together with a proxy and proxy statement, has been included with this annual report. Stockholders are urged to sign and return their proxies promptly to assure that the stock of the corporation will be represented as fully as possible at the meeting.

Citicorp has approximately 55,000 common stockholders of record. About 84% of the Citicorp shares entitled to vote were voted in person or by proxy at the last annual stockholders' meeting on April 19, 1988. Additionally, there are 124 equity holders of 5¼% Convertible Subordinated Notes Due 2000.

Additional copies of this annual report are available. Write to Citicorp, Public Affairs Division, 399 Park Avenue, 13th Floor, New York, NY 10043.

Copies of the written transcript and tape recordings of the proceedings at Citicorp stockholders' meetings are available to Citicorp stockholders at cost from Citibank, N.A. Corporate Administration, 399 Park Avenue, New York, NY 10043.

Supplemental financial data are published quarterly and are available from Citicorp, Investor Relations Department, 399 Park Avenue, 31st Floor, New York, NY 10043.

TRANSFER AGENT AND REGISTRAR

Citibank, N.A., Corporate Trust Services, Box 4855, New York, NY 10043

CO-TRANSFER AGENTS AND CO-REGISTRARS

First Interstate Bank of California
707 Wilshire Boulevard
Los Angeles, CA 90017

The First National Bank of Chicago
Corporate Trust Department
One First National Plaza
Chicago, IL 60670

Montreal Trust Company
15 King Street West
Toronto, Ontario
Canada M5H 1B4

JAPANESE SHAREHOLDER SERVICE ORGANIZATION AND PAYING BANK

The Yasuda Trust and Banking Company, Limited
Stock Transfer Department
Yasuda Seimei Daini Building, 10-1
Nishi Shinjuku 1-chome
Shinjuku-ku, Tokyo, Japan

CITICORP STOCK LISTED

New York Stock Exchange
Midwest Stock Exchange
Pacific Stock Exchange
London Stock Exchange
Amsterdam Stock Exchange
Tokyo Stock Exchange
Zurich Stock Exchange
Geneva Stock Exchange
Basel Stock Exchange
Toronto Stock Exchange
Düsseldorf Stock Exchange
Frankfurt Stock Exchange

Citicorp/Citibank
399 Park Avenue
New York, NY 10043
(212) 559-1000

Securities and Exchange Commission
Washington, DC 20549
Form 10-K
Annual Report pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934 for the fiscal year ended December 31, 1988
Commission File Number 1-5738

CITICORP

Incorporated in the State of Delaware
IRS Employer Identification Number: 13-2614988
Address: 399 Park Avenue, New York, NY 10043
Telephone: (212) 559-1000

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

A list of Citicorp securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 is available from Citibank, N.A. Corporate Administration, 399 Park Avenue, New York, NY 10043.

As of December 31, 1988, Citicorp had 319,062,521 shares of common stock outstanding.

Citicorp (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

The aggregate market value of Citicorp common stock held by non-affiliates on January 31, 1989 was approximately $8.6 billion.

Certain information has been incorporated by reference as described herein into Part III of this Annual Report from Citicorp's proxy statement relating to its annual meeting of stockholders to be held on April 18, 1989.

CITICORP SERVICE

We continue to build a worldwide organization dedicated to serving our customers and take pride in the quality of service we deliver. The following addresses and phone numbers are part of our service commitment to help you obtain needed information and prompt assistance.

For information on Citicorp stock, write to: Investor Relations, Citicorp/Citibank, 399 Park Ave., 31st Floor, New York, NY 10043 or call: (212) 559-2730.

Dividend Reinvestment Plan (Plan Questions)	(212) 559-8263
Dividend Reinvestment Account (Account Questions)	(212) 657-7055
Lost Stock Certificates	(212) 657-5764
Non-Receipt of Dividend/Interest Check	(212) 657-7304
Stock Transfer—Citicorp	(212) 657-5761
Estate Inquiries/Transfer Requirements	(212) 657-5761

All other shareholder concerns, please write: Corporate Secretary's Office, 399 Park Avenue, New York, NY 10043.

For information on bonds call:

Municipal Bonds	(212) 968-6547
Corporate Bonds	(212) 657-7299
Citicorp Bonds & Interest Checks	(212) 657-5761

For information on accounts, credit cards, mortgages, CD's, or other financial services and investments, contact your local branch office, or use the address or phone number on the front of your customer statement or the numbers below:

Mortgage/Co-op Loan Service	(800) 325-1682
MasterCard/Visa	(800) 843-0777
Outside of U.S.	call collect: (605) 335-6300
Preferred MasterCard/Visa	(800) 645-9565
Outside of U.S.	call collect: (605) 335-6300
Diners Club/Carte Blanche	(800) 525-9135
Colorado or outside of U.S.	call collect: (303) 790-2433
CHOICE Visa	(800) 638-4767
Outside of U.S.	call collect: (301) 832-4049
Citicorp Travelers Checks	call collect: (813) 623-1709
Citicorp Money Orders or Official Checks	(800) 223-7520
Student Loans	(800) 828-6103
Citicorp Brokerage	(800) 554-6725
New York City	(212) 736-8170

For information on investment management, trust, and estate matters, write to: Citicorp, Asset Management, 641 Lexington Avenue, 9th Floor, New York, NY 10043 or call: (212) 715-0229 or (212) 715-0277.

For bank directory assistance call: (212) 559-1000

® CITICORP AND CITIBANK ARE REGISTERED TRADEMARKS • A PUBLICATION OF THE CITICORP PUBLIC AFFAIRS DIVISION/COMMUNICATION DESIGN PHOTOS: PAGES 3, 16, 17: RANDY DUCHAINE • PRINTED IN THE U.S.A. • 395M • 3338 • © COPYRIGHT 1989 BY CITICORP

COMPANIES FORM No. 692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

To the Registrar of Companies

For official use [1915]

Company number F1835

Name of company

* enter present corporate name

* CITIBANK, N.A.

notifies you that:

Note

Please read notes overleaf before completing this form

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ On the 20 December, 1988 Mr. D.Wayne Calloway was appointed a Director of Citibank, N.A.

Particulars of director or secretary

Name (notes 3 and 6) David Wayne Calloway

Former name(s) (note 3)

Address (note 4) 78 Pecksland Road, Greenwich, Connecticut 06830, USA

Business occupation or particulars of one other directorship (note 6)	Nationality†
Chairman & Chief Executive of PepsiCo, Inc.	USA

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

For official Use
General Section

Post room

COMPANIES HOUSE
13 APR 1989
M

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [Director][Secretary][Person Authorised]† Date 12 April, 1989

† delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that directorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

oyez The Solicitors' Law Stationery Society plc, Oyez House, 237 Long Lane, London SE1 4PU

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★ ★ ★ ★ ★

Companies G692 (I) (b)

DIRECTORS

CITIBANK, N.A.
as of December 31, 1980

NAME	RESIDENTIAL ADDRESS	NATIONALITY
H.H. Angermueller	One Surrey Road Summit, New Jersey 07901	U.S.A.
R.S. Braddock	10 Gracie Square Apt. 9-F New York, NY 10028	"
M.A. Callon	18 Sawmill Lane Greenwich, Connecticut 06830	"
D.W. Calloway	78 Pocksland Road Greenwich, Connecticut 06830	"
P.J. Collins	950 Park Avenue New York, NY 10028	"
J.D. Farley	1 Pheasant Lane Greenwich Connecticut 06830	"
C.C. Garvin, Jr.	33 Baldwin Farms Road South Greenwich Connecticut 06830	"
H.J. Haynes	No.1 North Road PO Box 1669 Ross, California 94957	"
J.S. Reed	7 Parsonage Road Greenwich Connecticut 06830	"
D.V. Solbert	34 Gallinson Drive Murray Hill, New Jersey 07974	"
L.M. Small	16 Sutton Place New York, NY 10022	"
F.A. Thomas	320 East 72nd Street Apt.16B New York, NY 10021	"

COMPANIES HOUSE
13 APR 1981
M

COMPANIES FORM No. 692(1)(c)

Return of alteration in the names or addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

692(1)(c)

Pursuant to section 692(1)(c) of the Companies Act 1985

Please do not write in this margin

Note: The time within which a return containing the particulars of alteration is to be delivered to the Registrar is twenty one days after the making of such alterations.

To the Registrar of Companies

For official use

Company number F1835

Please complete legibly, preferably in black type, or bold block lettering

Name of Company

*Enter corporate name

* CITIBANK, N.A.

notifies you of the following alteration(s) in the name(s) or address(es) of persons resident in Great Britain authorised to accept service on behalf of the company

Mr. M.T. Welch of Citibank House, 336 Strand, London WC2R 1HB (a citizen of the USA) is replaced by:-

MR. JEFFREY R. GRANDY (a citizen of the USA) of Citibank House, 336 Strand, London WC2R 1HB

and there is no change in respect of:-
MR. DENIS M. EICHENBERGER (a citizen of Switzerland) of Citibank House, 336 Strand, London WC2R 1HB

†Delete as appropriate

Signed [Director/Secretary/Person Authorised]† Date 11 April 1989

Jeffrey R. Grandy

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use
General Section

Post room

COMPANIES HOUSE
12 APR 1989
M

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COMPANIES FORM No. 692(1)(c)

Return of alteration in the names or addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

692(1)(c)

Pursuant to section 692(1)(c) of the Companies Act 1985

Please do not write in this margin

Note: The time within which a return containing the particulars of alteration is to be delivered to the Registrar is twenty one days after the making of such alterations.

To the Registrar of Companies

For official use

Company number F1835

Please complete legibly, preferably in black type, or bold block lettering

Name of Company

*Enter corporate name

* CITIBANK, N.A.

notifies you of the following alteration(s) in the name(s) or address(es) of persons resident in Great Britain authorised to accept service on behalf of the company

Mr. J.R. Grandy of Citibank House, 336 Strand, London WC2R 1HB (a citizen of the USA) is replaced by:-

MR. JOHN McFARLANE (British) of Citibank House, 336 Strand, London WC2R 1HB

and there is no change in respect of:-
MR. DENIS M. EICHENBERGER (a citizen of Switzerland) of Citibank House, 336 Strand, London WC2R 1HB

†Delete as appropriate

Signed J. McFarlane [Director][~~Secretary~~][Person Authorised]† Date 14-3-1990

Presentor's name, address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

For official use
General Section

Post room

COMPANIES HOUSE
16MAR1990
M

Return of alteration in the directors or secretary of an overseas company or in their particulars

692(1)(b)

Please do not write in this margin

Pursuant to section 692(1)(b) of the Companies Act 1985

Please complete legibly, preferably in black type, or hold block lettering

To the Registrar of Companies

For official use

Company number

F1096

Name of company

* CITIBANK, N.A.

* enter present corporate name

Note

Please read notes overleaf before completing this form

notifies you that:

§ specify the change and date. If this consists of the appointment of a new secretary or one or more new directors complete the box(es) below

§ Mr. H.H. Angermueller resigned from the Board on November 1, 1989; Mr. D. Wayne Calloway was not appointed to the Board (as incorrectly shown in our return of last year); Mr.P.J. Collins has changed his address. A list of the Directors of Citibank, N.A. as at 31 December, 1989 is attached.

Particulars of director or secretary

Name (notes 3 and 6) Paul J. Collins	
Former name(s) (note 3)	
Address (note 4) Now: 20 Wilton Crescent, London SW1X 8SA, England and Post Office Box Address New York: PO Box 8528, FDR Station, NY 10150, USA	
Business occupation or particulars of one other directorship† (note 6)	Nationality†
Vice Chairman of Citibank, N.A.	USA

† this information is not required in the case of a secretary

Presentor's name address and reference (if any):

Mr. D.M. Eichenberger
Citibank, N.A.
336 Strand
London WC2R 1HB

Our Ref: L1512

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General Section

Post room

Page 1

Particulars of directors

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Name (note 3)	
Former name(s) (note 3)	
Address (note 4)	
Business occupation or particulars of one other directorship (note 5)	Nationality

Signed [illegible] [Person Authorised]† Date 24/4/1990 delete as appropriate

Notes

1 If the space allowed is insufficient, the names and particulars should be entered on the continuation sheet(s).

2 The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

3. For an individual, his present christian name(s) and surname must be given, together with any previous christian name(s) or surname(s).

"Christian name" includes a forename. In the case of a peer or person usually known by a title different from his surname, "surname" means that title. In the case of a corporation, its corporate name must be given.

A previous christian name or surname need not be given if:—

(a) in the case of a married woman, it was a name by which she was known before her marriage; or

(b) it was changed or ceased to be used at least 20 years ago, or before the person who previously used it reached the age of 18; or

(c) in the case of a peer or a person usually known by a British title different from his surname, it was a name by which he was known before he adopted the title or succeeded to it

4 Usual residential address must be given or, in the case of a corporation, the registered or principal office.

5 In the case of an individual who has no business occupation but holds any other directorship or directorships, particulars of that dirrectorship or one of those other directorships must be entered.

6 Where all the partners in a firm are joint secretaries, only the name and principal office of the firm need be stated.

Where the secretary or one of the joint secretaries is a Scottish firm the details required are the firm name and its principal office.

oyez The Solicitors' Law Stationery Society plc, Oyez House, 23, Long Lane, London SE1 4PU

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* * * * *

Companies G092 (i) (b)

DIRECTORS

CITIBANK, N.A.
as of December 31, 1989

NAME	RESIDENTIAL ADDRESS	NATIONALITY
R.S. Braddock	10 Gracie Square Apt.9-F New York, NY 10043	USA
M.A. Callen	18 Sawmill Lane Greenwich Connecticut 06830	"
P.J. Collins	29 Wilton Crescent London SW1X 8SA England	"
J.D. Farley	1 Pheasant Lane Greenwich Connecticut 06830	"
C.C. Garvin, Jr.	33 Baldwin Farms Road South Greenwich Connecticut 06830	"
H.J. Haynes	No.1 North Road PO Box 1669 Ross, California 94957	"
J.S. Reed	7 Parsonage Road Greenwich Connecticut 06830	"
D.V. Seibert	34 Callinaco Drive Murray Hill New Jersey 07974	"
L.M. Small	16 Sutton Place New York, NY 10022	"
F.A. Thomas	320 East 72nd Street Apt.16B New York, NY 10021	"

OYEZ

CHA1

692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars.

This form should be completed in black.

Company number CN FC 1835

Company name CITIBANK, N.A.

Appointment

(Turn over page for resignation and change of particulars).

Date of appointment DA Day Month Year

Appointment of director CD

Appointment of secretary CS

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

Name *Style/title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Usual residential address AD

Post town

County/region

Postcode Country

Date of birth† DO Nationality† NA

Business occupation† (if any). If none other directorships. OC OD

NOTES

Show the full forenames. NOT INITIALS. If the director or secretary is a Corporation or Scottish firm, show the name on surname line and registered or principal office on the usual residential address line.

Give previous forenames or surname except:
for a married woman the name before marriage need not be given
for names not used since [illegible] age of 18
or for at least 20 years.
A peer or individual known by a title may state the title instead of or in addition to any forenames and surname.

In the case of an individual who has no business occupation but holds other directorships, give particulars of them.

*Voluntary details †Directors only

A serving director etc must also sign the form overleaf.

Resignation

(This includes any form of ceasing to hold office e.g. death or removal from office).

Date of resignation etc	DR 16 04 91
Resignation etc, as director	XD X
Resignation etc, as secretary	XS
Forenames	James Duncan
Surname	FARLEY
Date of birth *(directors only)*	DO 24 06 26
If cessation is other than resignation, please state reason *(eg death)*	Retirement

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes.

Change of particulars

Complete this section in all cases where particulars have changed and then the appropriate section below.

Date of change of particulars	DC
Change of particulars, as director	ZD
Change of particulars, as secretary	ZS
Forenames *(name previously notified to Companies House)*	
Surname	
Date of birth *(directors only)*	DO
Change of name *(enter new name)* Forenames	NN
Surname	
Change of usual residential address *(enter new address)*	AD
Post town	
County/region	
Postcode	Country
Other change *(please specify)*	

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes.

A serving director/secretary/person authorised must sign the form below.

Signature

Signed [signature] Dated 06 MAY 92

~~Director~~/Secretary/Person Authorised *(Delete as appropriate)*

After signing please return the form to the Registrar of Companies at

If the company establishes a place of business both in England and Wales and in Scotland a separate form must be sent to each Registrar.

or

Companies House, Crown Way, Cardiff CF4 3UZ
for companies registered in England and Wales
Companies House, 100-102 George Street, Edinburgh EH2 3DJ
for companies registered in Scotland.

To whom should Companies House direct any enquiries about the information on this form?

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS
Tel:

Oyez The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscott Street, London SE1 5TS

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Companies 692(1)(b)

OYEZ

CHA1

692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars.

This form should be completed in black.

Company number CN FC 1835

Company name CITIBANK, N.A.

Appointment

(Turn over page for resignation and change of particulars).

Date of appointment DA 16 07 91 (Day Month Year)

Appointment of director CD X

Appointment of secretary CS

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

Name

*Style/title: Mr

Forenames: William Reginald

Surname: RHODES

*Honours etc: -

Previous forenames: -

Previous surname: -

Usual residential address AD 1080 Fifth Avenue, Appartment 14C,

Post town: New York, NEW YORK 10128

County/region:

Postcode:

Country: United States of America

Date of birth† DO 15 08 35 Nationality† NA USA

Business occupation† (if any). If none other directorships. OC Banker

OD

NOTES

Show the full forenames. NOT INITIALS. If the director or secretary is a Corporation or Scottish firm, show the name on surname line and registered or principal office on the usual residential address line.

Use previous forenames or surname except:
- for a married woman the name before marriage need not be given
- for names not used since the age of 18 or for at least 20 years.

A peer or individual known by a title may state the title instead of or in addition to the forenames and surname.

In the case of an individual who has no business occupation but holds other directorships, give particulars of them.

*Voluntary details †Directors only

A serving director etc must also sign the form overleaf.

Resignation

(This includes any form of ceasing to hold office e.g. death or removal from office).

Date of resignation etc	DR 1 8 0 6 9 1
Resignation etc, as director	XD X
Resignation etc, as secretary	XS
Forenames	Lawrence Malcolm
Surname	SMALL
Date of birth *(directors only)*	DO 1 4 0 9 4 1
If cessation is other than resignation, please state reason *(eg death)*	

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes.

Change of particulars

Complete this section in all cases where particulars have changed and then the appropriate section below.

Date of change of particulars	DC
Change of particulars, as director	ZD
Change of particulars, as secretary	ZS
Forenames *(name previously notified to Companies House)*	
Surname	
Date of birth *(directors only)*	DO
Change of name *(enter new name)* Forenames	NN
Surname	
Change of usual residential address *(enter new address)*	AD
Post town	
County/region	
Postcode	Country
Other change *(please specify)*	

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes.

A serving director/secretary/person authorised must sign the form below.

Signature

Signed [signature] Dated 06 MAY 92

Director/Secretary/Person Authorised *(Delete as appropriate)*

Assistant

After signing please return the form to the Registrar of Companies at

~~Companies House, Crown Way, Cardiff CF4 3UZ~~ for companies registered in England and Wales

or

Companies House, 100-102 George Street, Edinburgh EH2 3DJ for companies registered in Scotland.

If the company establishes a place of business both in England and Wales and in Scotland a separate form must be sent to each Registrar.

To whom should Companies House direct any enquiries about the information on this form?

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS
Tel:

OYEZ The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscott Street, London SE1 5TS

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5019052

OYEZ

CHA1

692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars.

This form should be completed in black.

Company number CN FC 1835

Company name CITIBANK, N.A.

Appointment

(Turn over page for resignation and change of particulars).

	Day	Month	Year
Date of appointment DA	21	04	92

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

Appointment of director CD X

Appointment of secretary CS

Name *Style/title: Mr

Forenames: David Wayne

Surname: CALLOWAY

*Honours etc: -

Previous forenames: -

Previous surname: -

Usual residential address AD 78 Pecksland Road

Post town: Greenwich, CONNECTICUT 06830

County/region:

Postcode: Country United States of America

Date of birth† DO 12 09 35 Nationality† NA USA

Business occupation† (if any). If none other directorships. OC

OD Chairman & Chief Executive PepsiCo, Inc

NOTES

Show the full forenames NOT INITIALS. If the director or secretary is a Corporation or Scottish firm, show the name or surname line and registered or principal office on the usual residential address line.

Give previous forenames or surname except:
- for a married woman the name before marriage need not be given
- for names not used since the age of 18 or for at least 20 years.

A peer or individual known by a title may state the title instead of or in addition to the forenames and surname.

In the case of an individual who has no business occupation but holds other directorships give particulars of them.

*Voluntary details †Directors only

A serving director etc must also sign the form overleaf.

Resignation

(This includes any form of ceasing to hold office e.g. death or removal from office).

Date of resignation etc	DR 10 01 92
Resignation etc, as director	XD X
Resignation etc, as secretary	XS
Forenames	Michael Anthony
Surname	CALLEN
Date of birth *(directors only)*	DO 25 05 40
If cessation is other than resignation, please state reason *(eg death)*	

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes.

Change of particulars

Complete this section in all cases where particulars have changed and then the appropriate section below.

Date of change of particulars	DC
Change of particulars, as director	ZD
Change of particulars, as secretary	ZS
Forenames *(name previously notified to Companies House)*	
Surname	
Date of birth *(directors only)*	DO
Change of name *(enter new name)* Forenames	NN
Surname	
Change of usual residential address *(enter new address)*	AD
Post town	
County/region	
Postcode	Country
Other change *(please specify)*	

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes.

A serving director/secretary/person authorised must sign the form below.

Signature

Signed [signature] Assistant Dated 06 MAY 92

~~Director~~/Secretary/Person Authorised *(Delete as appropriate)*

After signing please return the form to the Registrar of Companies at

~~Companies House, Crown Way, Cardiff CF4 3UZ~~ for companies registered in England and Wales

or

Companies House, 100-102 George Street, Edinburgh EH2 3DJ for companies registered in Scotland.

If the company establishes a place of business both in England and Wales and in Scotland a separate form must be sent to each Registrar.

To whom should Companies House direct any enquiries about the information on this form?

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS
Tel:

OYEZ The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscott Street, London SE1 5TS

1000 Edition
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6019052

Companies 692(1)(b)

OYEZ

CHA1

- 6 MAY 1992 41

692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars.

This form should be completed in black.

Company number	CN FC 1835
Company name	CITIBANK, N.A.

Appointment

(Turn over page for resignation and change of particulars).

		Day	Month	Year
Date of appointment	DA	21	04	92
Appointment of director	CD	X		
Appointment of secretary	CS			

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

Name *Style/title	Mr
Forenames	Frank Anderson
Surname	SHRONTZ
*Honours etc	-
Previous forenames	-
Previous surname	-
Usual residential address	AD 8434 West Mercer Way,
Post town	Mercer Island, WASHINGTON 98040
County/region	
Postcode	Country United States of America
Date of birth†	DO 14 12 31 Nationality† NA USA
Business occupation† (if any). If none other directorships.	OC
	OD Chairman & Chief Executive The Boeing Company.

NOTES

Show the full forenames NOT INITIALS if the director or secretary is a Corporation or Scottish firm, show the name on surname line and registered or principal office on the usual residential address line.

Give previous forenames or surname except:
- for a married woman the name before marriage need not be given
- for names not used since the age of 18 or for at least 20 years

A peer or individual known by a title may state the title instead of or in addition to the forenames and surname.

In the case of an individual who has no business occupation but holds other directorships give particulars of them.

*Voluntary details †Directors only

A serving director etc must also sign the form overleaf.

Resignation

(This includes any form of ceasing to hold office e.g. death or removal from office).

Date of resignation etc	DR 2 1 0 4 9 2
Resignation etc, as director	XD X
Resignation etc, as secretary	XS
Forenames	Clifton Cantor
Surname	GARVIN, Jr
Date of birth *(directors only)*	DO 2 2 1 2 2 1
If cessation is other than resignation, please state reason *(eg death)*	Retirement

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes.

Change of particulars

Complete this section in all cases where particulars have changed and then the appropriate section below.

Date of change of particulars	DC
Change of particulars, as director	ZD
Change of particulars, as secretary	ZS
Forenames *(name previously notified to Companies House)*	
Surname	
Date of birth *(directors only)*	DO
Change of name *(enter new name)* Forenames	NN
Surname	
Change of usual residential address *(enter new address)*	AD
Post town	
County/region	
Postcode	Country
Other change *(please specify)*	

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes.

A serving director/secretary/person authorised must sign the form below.

Signature

Signed [signature] Dated 06 MAY 92

Director/Secretary/Person Authorised *(Delete as appropriate)*

After signing please return the form to the Registrar of Companies at

~~Companies House, Crown Way, Cardiff CF4 3UZ~~ for companies registered in England and Wales

or

Companies House, 100-102 George Street, Edinburgh EH2 3DJ for companies registered in Scotland.

If the company establishes a place of business both in England and Wales and in Scotland a separate form must be sent to each Registrar.

To whom should Companies House direct any enquiries about the information on this form?

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS
Tel:

OYEZ The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscott Street, London SE1 5TS

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Companies 692(1)(b)

COMPANIES FORM No. 692(1)(a)

Return of alteration in the charter, statutes, etc., of an oversea company

692(1)(a)

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Pursuant to section 692(1)(a) of the Companies Act 1985

To the Registrar of Companies

For official use

Company number: FC 1835

Name of company

* Enter corporate name

* CITIBANK, N.A.

† Insert 'Charter', 'Statutes', 'Memorandum and Articles of Association' or other instrument as the case may be.

Return of alteration in the† BY-LAWS

constituting or defining the constitution of the above company

Note

A copy of the alteration or a copy of the new deed, if one has been executed, and a translation of the alteration or deed if not in the English language must accompany this return. The actual documents enclosed should be listed below.

Certified Copy of the amended Article II, Section 4 of the By-Laws of Citibank, N.A. relating to 'Regular Meetings' of the Directors.

† Delete as appropriate

Signed [signature] [~~Director~~] Assistant [Secretary] [Person Authorised]† Date 06 MAY 92

Note

The time within which this return is to be delivered to the registrar is 21 days after the date on which notice of the alteration in question could have been received in Great Britain in due course of post (if despatched with due diligence).

Presentor's name, address and reference (if any):

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS

For official use
New Companies Section

COMPANIES HOUSE 8 MAY 1992

Post room

oyez The Solicitors' Law Stationery Society plc, Oyez House, 27 Chiswell Street, London SE1 5TS

1988 Edition
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Companies G692(1)(a)

Changes to Citibank, N.A. By-Laws

On January 15, 1991, the Citibank, N.A. Board of Directors amended Article II, Section 4 of the Citibank, N.A. By-Laws. The current wording follows.

Article II

Directors

Section 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month, unless the Board of Directors shall otherwise determine, at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

I hereby certify that this is a true and correct copy of the original.

Assistant Secretary

G

COMPANIES FORM No. 692(1)(c)

Return of alteration in the names or addresses of persons resident in Great Britain authorised to accept service on behalf of an oversea company

692(1)(c)

Pursuant to section 692(1)(c) of the Companies Act 1985

Please do not write in this margin

Note: The time within which a return containing the particulars of alteration is to be delivered to the Registrar is twenty one days after the making of such alterations.

Please complete legibly, preferably in black type, or bold block lettering

*Enter corporate name

To the Registrar of Companies

For official use

Company number: FC 1835

Name of Company

* CITIBANK, N.A.

notifies you of the following alteration(s) in the name(s) or address(es) of persons resident in Great Britain authorised to accept service on behalf of the company

ALL previously notified persons, including but not limited to Mr Denis Martin EICHENBERGER but excluding Mr John McFARLANE (who remains authorised) are no longer authorised to accept service on behalf of Citibank, N.A. (the 'Company').
The following is a comprehensive list of those persons currently authorised to accept service on behalf of the Company in place of, and to the exclusion of, the previously notified persons or individuals (excluding Mr John McFARLANE aforesaid), namely:

Mr Paul John COLLINS, Vice Chairman, 336 Strand, London WC2R 1HB

Mr John Stuart MITCHELL-HEWSON, Assistant Secretary, 336 Strand, London WC2R 1HB

Mr John McFARLANE, Country Corporate Officer United Kingdom, Cottons Centre, Hays Lane, London SE1 2QT

Ms Jane Deborah WESTBROOK, Legal Adviser, 336 Strand, London WC2R 1HB.

†Delete as appropriate

Signed [signature] ~~Director~~ Assistant Secretary Person Authorised† Date 06 MAY 92

Presentor's name, address and reference (if any):

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS

For official use
General Section

Post room

COMPANIES HOUSE
- 8 MAY 1992
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oyez The Solicitors' Law Stationery Society plc, 24 Gray's Inn Road, London WC1X 8HR

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COMPANIES HOUSE
23 OCT 1992
M 71

692(1)(b)

Return of alteration in the directors or secretary of an oversea company or in their particulars.

This form should be completed in black.

Company number CN FC 1035

Company name CITIBANK, N.A.

Appointment

(Turn over page for resignation and change of particulars).

Date of appointment DA Day Month Year

Appointment of director CD

Appointment of secretary CS

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

Name *Style/title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Usual residential address AD

Post town

County/region

Postcode

Country

Date of birth† DO Nationality† NA

Business occupation† (if any). If none other directorships. OC OD

NOTES

Show the full forenames NOT INITIALS

If the director or secretary is a Corporation or Scottish firm, show the name or surname line and registered or principal office on the usual residential address line

Give previous forenames or surname except:
- for a married woman the name prior to marriage need not be given
- for names not used since the age of 16 or for at least 20 years

A peer or individual known by a title may state the title instead of or in addition to the forenames and surname

In the case of an individual who has no business occupation but holds other directorships give particulars of them

*Voluntary details †Directors only

A serving director etc must also sign the form overleaf.

Resignation

(This includes any form of ceasing to hold office e.g. death or removal from office).

Date of resignation etc	DR 05 10 92
Resignation etc, as director	XD X
Resignation etc, as secretary	XS
Forenames	Richard Stevens
Surname	BRADDOCK
Date of birth *(directors only)*	DO 30 11 41
If cessation is other than resignation, please state reason *(eg death)*	

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes.

Change of particulars

Complete this section in all cases where particulars have changed and then the appropriate section below.

Date of change of particulars	DO
Change of particulars, as director	ZD
Change of particulars, as secretary	ZS
Forenames *(name previously notified to Companies House)*	
Surname	
Date of birth *(directors only)*	DO
Change of name *(enter new name)* Forenames	NN
Surname	
Change of usual residential address *(enter new address)*	AD
Post town	
County/region	
Postcode	Country
Other change *(please specify)*	

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes.

A serving director/secretary/person authorised must sign the form below.

Signature

Signed [signature] Dated 20 OCT 92

~~Director~~/Secretary/Person Authorised *(Delete as appropriate)*

After signing please return the form to the Registrar of Companies at

If the company establishes a place of business both in England and Wales and in Scotland a separate form must be sent to each Registrar.

or

Companies House, Crown Way, Cardiff CF4 3UZ for companies registered in England and Wales

Companies House, 100-102 George Street, Edinburgh EH2 3DJ for companies registered in Scotland.

To whom should Companies House direct any enquiries about the information on this form?

The Company Secretary
CITICORP INVESTMENT BANK LIMITED
PO Box 242, 335 Strand, London WC2R 1LS
Tel:

OYEZ The Solicitors' Law Stationery Society Ltd., Oyez House, 27 Crimscott Street, London SE1 5TS

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Companies 692(1)(b)

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COMPANIES HOUSE

BR1

COMPANIES HOUSE
26 MAY 1995
M 05

COMPANIES HOUSE
-7 JUN 1995
FINANCE

This form should be completed in block.

Return delivered for registration of a branch of an oversea company
(Pursuant to Schedule 21A, paragraph 1 of the Companies Act 1985)

For office use only CN FC1935 BN BR1018

(See note 6) **Corporate name** (name in parent state): CITIBANK, N.A.

Business name (if different to corporate name):

Country of incorporation: UNITED STATES OF AMERICA

Identity of register (if applicable): Office of The Comptroller of the Currency, US Department of Treasury. and registration no. Charter 1461

(See note 3) **Legal form**: Incorporated with limited liability.

[1] See note 2

PART A - COMPANY DETAILS[1]

* State whether the company is a credit or financial institution

* Is the company subject to Section 699A of the Companies Act 1985?
YES [X] NO [ ]

(1)These boxes need not be completed by companies formed in EC member states

(See note 4) **Governing law**: National Bank Act of the United States of America.

Accounting requirements

Period for which the company is required to prepare accounts by parent law. from 01 JANUARY to 31 DECEMBER

Period allowed for the preparation and public disclosure of accounts for the above period three months

(2) This box need NOT be completed by companies from EC member states, OR where the constitutional documents of the company already show this information.

Address of principal place of business in home country

399 Park Avenue, New York, NEW YORK 10043, United States of America.

Objects of company

to engage in commercial banking

Issued share capital

USD750,691,060 divided into 37,534,553 shares of Common Stock of USD20 each. Currency US Dollars

Company Secretary(ies)

(See note 10)

Name

*Style/Title Mr

Forenames Charles Edward

Surname LONG

*Honours etc. -

Previous Forenames -

Previous surname -

Address

24 Meadow Hill Place

Post town Armonk

County/Region NEW YORK

Postcode 10504 Country USA

* Voluntary details

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

Company Secretary(ies)

(See note 10)

Name

*Style/Title

Forenames

Surname

*Honours etc.

Previous Forenames

Previous surname

Address

Post town

County/Region

Postcode Country

* Voluntary details

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

(You may photocopy this page if required)

FILE COPY

CERTIFICATE OF REGISTRATION

OF AN OVERSEA COMPANY

(Establishment of a branch)

Company No. FC001835

Branch No. BR001018

The Registrar of Companies for England and Wales hereby certifies that

CITIBANK N.A

has this day been registered under Schedule 21A to the Companies Act 1985 as having established a branch in England and Wales

Given at Companies House, Cardiff, the 30th July 1993

H. G. Pell

For The Registrar Of Companies

COMPANIES HOUSE

Directors

(See note 1D)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title Mr

Forenames David Wayne

Surname CALLOWAY

*Honours etc. -

Previous Forenames -

Previous surname -

70 Peckaland Road

Post town Greenwich

County/Region CONNECTICUT

Postcode 06830 Country USA

Date of Birth 12 09 35 Nationality USA

Business Occupation Banker

Other Directorships See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

Those powers :-

\# Mark box(es) as applicable

\# ☐ May be exercised alone

OR

\# ☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

(You may photocopy this page as required)

Directors

(See note 1B)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title Mr

Forenames Pei-Yuan

Surname CHIA

*Honours etc. -

Previous Forenames -

Previous surname -

R F D No 4 Box 331

Greenwich Road

Post town Bedford

County/Region NEW YORK

Postcode 10506 Country USA

Date of Birth 2 7 0 1 3 9 Nationality USA

Business Occupation Banker

Other Directorships See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

\# ☐ May be exercised alone

OR

\# ☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

\# Mark box(es) as applicable

(You may photocopy this page as required)

ANNEX TO COMPANIES FORM BR1 DATED 26 MAY 1993
CITIBANK, N.A.

Mr David Wayne CALLOWAY

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
EXXON CORPORATION
FRITO-LAY, INC.
GENERAL ELECTRIC COMPANY
PEPSICO, INC

ANNEX TO COMPANIES FORM BR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Pei-Yuan CHIA

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
FAMIBANK

Directors

(See note (i))

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title Mr

Forenames Paul John

Surname COLLINS

*Honours etc. -

Previous Forenames -

Previous surname -

29 Wilton Crescent

Post town

County/Region LONDON

Postcode SW1X 8SA Country United Kingdom

Date of Birth 2 6 1 0 3 6 Nationality USA

Business Occupation Banker

Other Directorships See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as applicable

(You may photocopy this page as required)

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to repre-sent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

☐ May be exercised alone

OR

☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

Directors

(See note 10)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title	Mr
Forenames	Harold Jean
Surname	HAYNES
*Honours etc.	-
Previous Forenames	-
Previous surname	-
	No 1 North Road
	P O Box 1669
Post town	Ross
County/Region	CALIFORNIA
Postcode	94957
Country	USA
Date of Birth	29 09 25
Nationality	USA
Business Occupation	Banker
Other Directorships	See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as applicable

(You may photocopy this page as required)

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

☐ May be exercised alone

OR

☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

ANNEX TO COMPANIES FORM NR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Paul John COLLINS

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
KIMBERLY-CLARK CORPORATION

ANNEX TO COMPANIES FORM BR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Harold Jean HAYNES

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

BECHTEL INVESTMENTS, INC
BECHTEL GROUP, INC
CITIBANK, N.A.
CITICORP
HEWLETT-PACKARD COMPANY
PACCAR INC
SAUDI ARABIAN OIL COMPANY
SEQUOIA VENTURES, INC
THE BOEING COMPANY

Directors

(See note 1B)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title Mr

Forenames John Shepard

Surname REED

*Honours etc. -

Previous Forenames -

Previous surname -

Unit 901 Hawthorne

351 Pemberwick Road

Post town Greenwich

County/Region CONNECTICUT

Postcode 06831 Country USA

Date of Birth 0,7 0,2 3,9 Nationality USA

Business Occupation Banker

Other Directorships See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised, (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

Mark box(es) as applicable

These powers :-

☐ May be exercised alone

OR

☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

(You may photocopy this page as required)

*** Directors**

(See note 1b)

Name

*** Voluntary details**

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

\# Mark box(es) as applicable

(You may photocopy this page as required)

*Style/Title: Mr

Forenames: William Reginald

Surname: RHODES

*Honours etc.: -

Previous Forenames: -

Previous surname: -

1080 Fifth Avenue

Appartment 14C

Post town: New York

County/Region: NEW YORK

Postcode: 10128 Country: USA

Date of Birth: 15 08 35 Nationality: USA

Business Occupation: Banker

Other Directorships: See attached list.

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

\# ☐ May be exercised alone

OR

\# ☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

ANNEX TO COMPANIES FORM BR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr John Shepard REED

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
MONSANTO COMPANY
PHILIP MORRIS COMPANIES INC

ANNEX TO COMPANIES FORM 8R1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr William Reginald RHODES

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
PRIVATE EXPORT FUNDING CORPORATION (PEFCO)

Directors

(See note 10)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title: The Honourable

Forenames: Roxanne LeJeanne

Surname: RIDGWAY

*Honours etc.: -

Previous Forenames: -

Previous surname: -

2695 Marcey Road

Post town: Arlington

County/Region: VIRGINIA

Postcode: 22207 Country: USA

Date of Birth: 22 08 35 Nationality: USA

Business Occupation: Banker

Other Directorships: See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as applicable

(You may photocopy this page as required)

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to repre-sent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

☐ May be exercised alone

OR

☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

ANNEX TO COMPANIES FORM BR1 DATED 25 MAY 1993
CITIBANK, N.A.

The Honourable Roxanne Lejeanne RIDGWAY

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

BELL ATLANTIC CORPORATION
CITIBANK, N.A.
CITICORP
MINNESOTA MINING AND MANUFACTURING COMPANY
RJR NABISCO, INC.
SARA LEE CORP.
THE ATLANTIC COUNCIL OF THE UNITED STATES
THE BOEING COMPANY
UNION CARBIDE CORPORATION

ANNEX TO COMPANIES FORM DR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Donald Vincent SEIBERT

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

CITIBANK, N.A.
CITICORP
EMERITUS
J.C. PENNEY COMPANY, INC.
RYDER SYSTEM, INC.
UNISYS CORPORATION

Directors

(See note 10)

Name

* Voluntary details

Address

Usual residential address must be given. In the case of a corporation, give the registered or principal office address.

*Style/Title Mr

Forenames Frank Anderson

Surname SHRONTZ

*Honours etc. -

Previous Forenames -

Previous surname -

8434 West Mercer Way

Post town Mercer Island

County/Region WASHINGTON

Postcode 98040 Country USA

Date of Birth 14 12 31 Nationality USA

Business Occupation Banker

Other Directorships See attached list.

SCOPE OF AUTHORITY

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as applicable

(You may photocopy this page as required)

The extent of the authority to represent the company is :- (give details)

The office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specifically empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

These powers :-

☐ May be exercised alone

OR

☒ Must be exercised with :-

(Give name(s) of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time collectively.

ANNEX TO COMPANIES FORM NR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Frank Anderson SHRONTZ

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

BOISE CASCADE CORPORATION
CITIBANK, N.A.
CITICORP
MINNESOTA MINING AND MANUFACTURING COMPANY
THE BOEING COMPANY

ANNEX TO COMPANIES FORM BR1 DATED 25 MAY 1993
CITIBANK, N.A.

Mr Franklin Augustine THOMAS

Current Directorships - Bodies corporate incorporated elsewhere than in the United Kingdom:

ALUMINUM COMPANY OF AMERICA
AMERICAN TELEPHONE & TELEGRAPH COMPANY
CBS INC.
CITIBANK, N.A.
CITICORP
CUMMINS ENGINE COMPANY, INC
THE FORD FOUNDATION

CERTIFICATE

I, Gregory J. Koczanski, Vice President and Assistant Secretary of Citibank, N.A. , a national banking association organized and existing under the laws of the United States of America, with its principal office at 399 Park Avenue, New York City, do hereby certify that annexed hereto as Exhibit A is a true and correct copy of the Articles of Association and By-Laws of Citibank, N.A. in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have affixed the official seal of Citibank, N.A. and executed this certificate on this 24th day of May, 1993.

GREGORY J. KOCZANSKI

(seal)

GREGORY J. KOCZANSKI
Vice President and Assistant Secretary
Citibank, N.A.
399 Park Avenue/Mezzanine/Zone 10
(212) 559[illegible]

STATE OF NEW YORK)
COUNTY OF NEW YORK)

Subscribed and Sworn to
Before me this 24th day
of May, 1993.

NOTARY PUBLIC

KENNETH S. COHEN
Notary Public, State of New York
No. 31-4924806
Qualified in New York County
Commission Expires February 28, 1994

EXHIBIT A

CITIBANK

ARTICLES OF ASSOCIATION
AS AMENDED EFFECTIVE
SEPTEMBER 21, 1985

BY-LAWS
AS AMENDED
EFFECTIVE APRIL 16, 1990

Changes to Citibank, N.A. By-Laws

On January 15, 1991, the Citibank, N.A. Board of Directors amended Article II, Section 4 of the Citibank, N.A. By-Laws. The current wording follows.

Article II

Directors

Section 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month, unless the Board of Directors shall otherwise determine, at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

CITIBANK, N.A.

CHARTER NO. 1462

Articles of Association

AS AMENDED EFFECTIVE SEPTEMBER 24, 1985

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and for transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By-Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $400,000,000 divided into 40,000,000 shares of capital stock of the par value of $10 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

The Association, at any time and from time to time, may authorize and issue debt obligations whether or not subordinated without the prior approval of shareholders.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds from them and to fix the penalty thereof; to regulate the manner in which any increase of the capital of the Association shall be made; to manage and administer the

business and affairs of the Association; to make all by-laws that it may be lawful for them to make; and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH. The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH. The Board of Directors, or the holders of not less than ten percentum of the stock of the Association, may call a special meeting of shareholders at any time; provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH. Any person, his heirs, executors, or administrators, may be indemnified or reimbursed by the Association for reasonable expenses actually incurred in connection with any action, suit, or proceeding, civil or criminal, to which he or they shall be made a party by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation, or organization which he served in any such capacity at the request of the Association; *Provided, however*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding as to which he shall finally be adjudged to have been guilty of or liable for negligence or willful misconduct in the performance of his duties to the Association; And, *provided further*, that no person shall be so indemnified or reimbursed in relation to any matter in such action, suit, or proceeding which has been made the subject of a compromise settlement except with the approval of a court of competent jurisdiction, or the holders of record of a majority of the outstanding shares of the Association, or the Board of Directors, acting by vote of directors not parties to the same or substantially the same action, suit, or proceeding, constituting a majority of the whole number of the directors. The foregoing right of indemnification or reimbursement shall not be exclusive of other rights to which such person, his heirs, executors, or administrators, may be entitled as a matter of law.

TENTH. These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

UNITED STATES OF AMERICA
STATE OF NEW YORK
COUNTY OF NEW YORK } ss:

On this .... day of ....., 19.., before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared
domiciled in
to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the fore-going certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said is duly authorized to affix the same to said certificate.

.....
Notary Public

ARTICLE XI

By-Laws

SECTION 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours.

SECTION 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

SECTION 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of CITIBANK, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this ....day of....., 19...

WITNESSES:

CITIBANK, N.A.

BY-LAWS

ARTICLE I

MEETINGS OF SHAREHOLDERS

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 399 Park Avenue, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of April of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise pro-

vided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

DIRECTORS

SECTION 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

SECTION 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from

SECTION 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, any Vice Chairman, any Sector Executive, or any Senior Executive Vice President, or any Executive Vice President/Group Executive/Senior Corporate Officer, or the Chairman Credit Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

SECTION 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

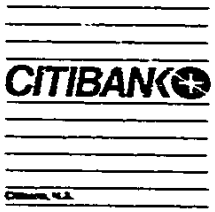
SECTION 4. *Banking Hours.* The Head Office of the Association and its branch offices shall be open for business on such days and during such hours as the Association shall establish from time to time consistent with applicable law.

and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dissent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX

Corporate Seal

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:



ARTICLE X

Miscellaneous Provisions

Section 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

Section 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at such other time and place as the Board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

Section 5. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in the absence of the Chairman, the President, or in the absence of the Chairman and the President, the Vice Chairman, Chairman of the Executive Committee, or in the absence of the Chairman, the President and the Vice Chairman, Chairman of the Executive Committee, any Vice Chairman who is a member of the Board of Directors; and on the written request of any three members of the

Board such meeting shall be called by one of said officers or by the Secretary. Members of the Board of Directors may participate in such special meetings through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

SECTION 6. *Notice.* Notice of any special meeting, specifying the time and place of such meeting, or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address, or delivering the same to him personally, or leaving the same at his place of business, or at his residence, or by telephone on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

SECTION 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

SECTION 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

SECTION 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE VIII

STOCK AND STOCK CERTIFICATES

SECTION 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

SECTION 2. *Stock Certificates.* Certificates of stock shall bear the signature of the Chairman or President (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and, in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

SECTION 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date

ficer, the Chairman Credit Policy Committee, any Senior Vice President, the Secretary, any Vice President, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE III

COMMITTEES OF THE BOARD

SECTION 1. *Executive Committee: Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

SECTION 2. *Executive Committee: Membership; Meetings; Quorum.* The Executive Committee shall hold a regular meeting without notice at the time and place appointed for each regular meeting of the Board of Directors at which a quorum of the Board shall not be in attendance at said time and place, unless such regular meeting of the Board is cancelled as provided in Article II, Section 6. The directors present at such time and place, if there be not less than three, shall constitute the Executive Committee for such regular meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. A special meeting of the Executive Committee may be called at any time by the Chairman, or in the absence of the Chairman, the President, or in the absence of the Chairman and the President, the Vice Chairman, Chairman of the Executive Committee, or in the absence of the Chairman, the President and the Vice Chairman, Chairman of the Executive Committee, any Vice Chairman or on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary.

Notice of any such special meeting shall be given to each director in the manner provided in Article II, Section 6, for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors and shall be sufficient even though such notice refers only to a meeting of the Board of Directors. The directors who shall attend at the time and place fixed in such notice, if there be not less than three, shall constitute the Executive Committee for such special meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. Executive Committee meetings may be held through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

SECTION 3. *Examining Committee.* There may be an Examining Committee composed of not less than three members of the Board of Directors appointed by the Board annually or oftener, whose duty it shall be to cause a continuous examination to be made on its behalf into the affairs of the Association, to review the results of such examination, and to report its findings in writing to the Board annually or oftener. The Board shall appoint from among the members of the Committee a Chairman thereof, who shall preside at meetings of the Committee and direct its work. It shall be his duty to confer with the Chief Auditor of the Association and, between meetings of the Committee, to review any reports of examination of Head Office or branches which may be received from the Comptroller of the Currency or other examining authority. He shall be entitled to compensation on such annual basis as may be fixed by the Board of Directors.

SECTION 4. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine. Members of such other committees may participate in meetings of those committees through use of conference telephone or similar communications

department may be divided into subdivisions having such titles as the Chairman or the President may from time to time designate. All the books and records of such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman, the President or such officer as either of them may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, any Executive Vice President/Group Executive/Senior Corporate Of-

time; and such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books or account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII

FIDUCIARY POWERS

SECTION 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors, the Chairman or the President, and each such

equipment, so long as all members participating in such meetings can hear one another. Each such committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors, and any action taken by the Board with respect thereto shall be entered into the minutes of the Board. Committees composed of non-members of the Board may also be appointed to consult with the members regularly or from time to time under such rules as the Board may determine but in no event may such Committees have the power of final decision in matters concerning the business of the Association.

ARTICLE IV

OFFICERS AND AGENTS

SECTION 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 3. *The Vice Chairman, Chairman of the Executive Committee.* The Board of Directors may appoint a Vice Chairman, Chairman of the Executive Committee of the Association. The Vice Chairman, Chairman of the Executive Committee shall have general executive powers as well as the specific powers conferred by these By-Laws on him and on a Vice Chairman. In

the absence of the Chairman and the President, the Vice Chairman, Chairman of the Executive Committee shall exercise the powers and duties of the Chairman related to meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

SECTION 4. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman, the President and the Vice Chairman, Chairman of the Executive Committee, and, in the order of their appointment to the office, the Vice Chairmen shall exercise the powers and duties of the Chairman related to meetings of the Board of Directors and the Executive Committee and meetings of the shareholders. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or the Vice Chairman, Chairman of the Executive Committee.

SECTION 5. *The Sector Executives.* The Board of Directors may appoint one or more Sector Executives of the Association. Each Sector Executive shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman or the President.

SECTION 6. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

ARTICLE V

DOMESTIC BRANCHES

SECTION 1. *Location.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board, the Chairman or the President may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, the affairs of the foreign branches shall be under the immediate supervision and control of such officer as the Board, the Chairman or the President may designate and subject to such rules and regulations as such officer shall promulgate from time to

appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, or any Executive Vice President/Group Executive/Senior Corporate Officer may appoint, dismiss and fix the compensation to be paid to such attorneys-in-fact. In the case of attorneys-in-fact who are otherwise employed by the Association or by any affiliated corporate entity, the authority to appoint or dismiss any such attorneys-in-fact may be exercised by any officer having supervision of a major administrative unit, group, division, or department of the Association as may be specified by the Board of Directors. The attorneys-in-fact appointed pursuant to this Section 15 shall exercise such powers and perform such duties as may, from time to time, be conferred upon them by Power of Attorney.

SECTION 16. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive, or any other officer of the Association authorized by any of them, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

SECTION 17. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

SECTION 7. *Executive Vice Presidents/Group Executives/Senior Corporate Officers.* The Board of Directors may appoint one or more Executive Vice Presidents/Group Executives/Senior Corporate Officers of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, the President or any Vice Chairman, in the case of an Executive Vice President/Senior Corporate Officer, or by the Board of Directors, the Chairman, the President, any Vice Chairman or any Sector Executive in the case of a Group Executive. Each Executive Vice President/Group Executive/Senior Corporate Officer shall have general executive powers as well as the specific powers conferred by these By-Laws. Each Executive Vice President/Senior Corporate Officer shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or any Vice Chairman. Each Group Executive shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Sector Executive.

SECTION 8. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or the Vice Chairman, Chairman of the Executive Committee.

SECTION 9. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws.

He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, any Vice Chairman, or any Sector Executive.

SECTION 10. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate mintues of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

SECTION 11. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors. Subject to the authority granted to him by the Board of Directors, the Chief Auditor may also appoint, dismiss, and fix the salaries of one or more Assistant Vice Presidents, Managers and Assistant Managers, and such other officers in the Chief Auditor's Division as, from time to time, appear to him to be required or desirable.

SECTION 12. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to officers of the rank of Senior Vice President or higher, as designated by the Chairman, the President, any Vice Chairman or any Sector Executive, authority to appoint, dismiss and fix salaries to be paid Vice Presidents within the respective officers' areas of supervision. Each

Vice President shall have specific powers conferred by these By-Laws and such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, any Vice Chairman, or any Sector Executive.

SECTION 13. *Deputy Chief Auditors.* The Board of Directors may appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to, him from time to time by the Chief Auditor or by the Board of Directors.

SECTION 14. *Other Officers.* The Board of Directors may establish senior officer positions equivalent to and having duties and powers the same as those officers mentioned in the preceding Sections of this Article IV. The Board of Directors may also appoint one or more Assistant Vice Presidents, Managers, Assistant Managers, and such other officers as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association. In addition, the Board of Directors may delegate to officers of the rank of Vice President or higher, as designated by the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, any Executive Vice President/Group Executive/Senior Corporate Officer, the Chairman Credit Policy Committee, or any Senior Vice President, the authority to appoint, dismiss, and to fix the salaries to be paid to any such officers other than officers in the Chief Auditor's Division, within the respective officer's area of supervision. The officers so appointed shall have such powers and duties as may, from time to time, be conferred upon or assigned to them by the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive, or the appointing officer.

SECTION 15. *Attorneys-in-Fact.* The Board of Directors may appoint one or more attorneys-in-fact as, from time to time, may

Constitution of company

(See notes 6 to 9)

#Mark box(es) as applicable

(See note 9)

[X] A certified copy of the instrument constituting or defining the constitution of the company as amended

AND

[ ] *A certified translation

*is/are delivered for registration

* Delete as applicable

AND/OR

A certified copy of the constitutional documents and latest accounts of the company, together with a certified translation of them if they are not in the English language, must accompany this form.

[X] A copy of the latest accounts of the company

AND

[ ] A certified translation

*is/are delivered for registration

AND/OR

The company may rely on constitutional and accounting documents previously filed in respect of another branch registered in the United Kingdom.

[ ] The Constitutional documents (*and certified translations)

AND/OR

[ ] The latest accounts (*and certified translations)

of the company were previously delivered on the registration of the branch of the company at :-

Cardiff [ ] Edinburgh [ ] Belfast [ ]

Registration no.

AND/OR

The company may also rely on particulars about the company previously filed in respect of another branch in that part of Great Britain, provided that any alterations have been notified to the Registrar.

[ ] the particulars about the company were previously delivered in respect of a branch of the company registered at THIS registry.

Registration no.

AND/OR

The company may also rely on constitutional documents and particulars about the company officers previously filed in respect of a former Place of Business of that company, provided that any alterations have been notified to the Registrar.

NOTE :- In all cases, the registration number of the branch or place of business relied upon must be given.

[X] The Constitutional documents (*and certified translation)

AND/OR

[X] Particulars of the current directors and secretary(s)

were previously delivered in respect of a place of business of the company registered at THIS registry.

Registration no. FC 1835

Persons authorised to represent the company or accept service of process.

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch. Give details also of all persons resident in Great Britain, who are authorised to accept service of process on the company's behalf.

* Delete as appropriate

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised, (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised, jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate)

(You may photocopy this page as required)

*Style/Title Mr

Forenames John

Surname McFARLANE

Address Cottons Centre

Hays Lane

Post town

County/Region LONDON Postcode SE1 2QT

Is # [X] Authorised to accept service of process on the company's behalf

*AND/OR

Is # [X] Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

Powers and duties conferred under a Power of Attorney granted 2nd April 1990 for the purposes of Article VI 'Foreign Branches' of the By-Laws in addition to being an executive officer pursuant to Article IV 'Officers and Agents' Section 12 of the By-Laws.

These powers :-

[X] May be exercised alone

OR

[ ] Must be exercised with :-

(Give name(s) of co-authorised person(s))

Persons authorised to represent the company or accept service of process.

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch. Give details also of all persons resident in Great Britain, who are authorised to accept service or process on the company's behalf.

* Delete as appropriate

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate)

(You may photocopy this page as required)

*Style/Title VICE PRESIDENTS, OTHER DULY APPOINTED EXECUTIVE OFFICERS AND ATTORNEYS, ETC

Forenames

Surname

Address VARIOUS OFFICE LOCATIONS WITHIN GREAT BRITAIN OF THE BRANCH.

Post town

County/Region Postcode

Is # [ ] Authorised to accept service of process on the company's behalf

*AND/OR

Is # [X] Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

Numbers of persons are appointed from time to time as executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws with titles of Vice President amongst others, and some additionally as Attorneys under various Powers of Attorney with such powers and duties as may be delegated thereto. Such authority to represent the Company shall be expressed through the use relevant designated executive title or description as Attorney in dealings with third parties.

These powers :-

[X] May be exercised alone

OR

[X] Must be exercised with :-

(Give name(s) of co-authorised person(s))

dependent upon the nature of the appointment, etc.

Persons authorised to represent the company or accept service of process.

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch.
Give details also of all persons resident in Great Britain, who are authorised to accept service or process on the company's behalf.

* Delete as appropriate

*Style/Title _____

Forenames _____

Surname _____

Address _____

_____

Post town _____

County/Region _____ Postcode _____

is # ☐ Authorised to accept service of process on the company's behalf

*AND/OR

is # ☐ Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

_____

_____

_____

_____

_____

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.)
Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate)

These powers :-

☐ May be exercised alone

OR

☐ Must be exercised with :-

(Give name(s) of co-authorised person(s))

_____

_____

_____

_____

(You may photocopy this page as required)

Persons authorised to represent the company or accept service of process.

Give details of all persons who are authorised to represent the company as permanent representatives of the company in respect of the business of the branch. Give details also of all persons resident in Great Britain, who are authorised to accept service or process on the company's behalf.

* Delete as appropriate

SCOPE OF AUTHORITY

(This part does not apply to a person only authorised to accept service on behalf of the company)

Give brief particulars of the extent of the powers exercised. (e.g whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised jointly give the name(s) of the person(s) concerned. You may cross refer to the details of person(s) disclosed elsewhere on the form.

Mark box(es) as appropriate)

(You may photocopy this page as required)

*Style/Title Mr

Forenames John Stuart

Surname MITCHELL-HEWSON

Address 336 Strand

Post town

County/Region LONDON Postcode WC2R 1HB

Is # [X] Authorised to accept service of process on the company's behalf

*AND/OR

Is # [X] Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

Assistant Secretary appointed pursuant to Section 14 of Article IV 'Officers and Agents' of the By-Laws with powers and duties pursuant to, and more fully described in, Section 10 of such Article IV with such other powers and duties as may from time to time be assigned by the Board of Directors, the Chairman, the President, any Vice Chairman or the Secretary.

These powers :-

[X] May be exercised alone

OR

[ ] Must be exercised with :-

(Give name(s) of co-authorised person(s))

Address of branch
(See note 11)

Address Citibank House
336 Strand
Post town
County\Region LONDON Postcode WC2R 1HB

Branch Details
(See note 12)

Date branch opened 04 06 20
Business carried on at branch Banking and financial services

SIGNATURE

Signed [signature] Assistant Secretary.
(* Director / Secretary / Permanent representative)
Date 25 May 1993
This form contains 6 continuation sheets.

To whom should Companies House direct any enquiries about the information on this form?

Name John S Mitchell-Hewson
Address 336 Strand
LONDON Postcode WC2R 1HB
Telephone (071) 438 0817 Extension Direct line

When completed, this form together with any enclosures should be delivered to the Registrar of Companies at

for branches established in England and Wales

Companies House
Crown Way
Cardiff
CF4 3UZ

for branches established in Scotland

Companies House
100 - 102 George Street
Edinburgh
EN2 3DJ

Cat 103038/1/STAT 739 5m 12/92 DTP

COMPANIES HOUSE

COMPANIES PR46 19 AUG 1993

BR4

This form should be completed in black.

Return by an oversea company subject to branch registration of change of directors or secretary or of their particulars
(Pursuant to Schedule 21A, paragraph 7(1) of the Companies Act 1985)

Company number: FC1835

Branch number: BR001018

Company name: CITIBANK, N.A.

Branch name (if different):

Resignation, etc.

(This includes any form of ceasing to hold office e.g. death or removal from office)

Date of resignation etc: DR

Resignation etc, as director: XD

Resignation etc, as secretary: XS

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes

Forenames:

Surname:

Date of birth (directors only): DB

(See note on page 4)

This return is delivered in respect of all the branches listed on page 4

To whom should Companies House address any enquiries about the information on this form

Name: John S Mitchell-Hewson

Address: 336 Strand, London WC2R 1HB

Telephone: (071) 438 0817

When completed, this form should be returned to the address on page 4

Appointment

(Turn to page 3 notify resignation or alteration of particulars)

Date of appointment	DA 15 06 93
Appointment of director	CD X
Appointment of secretary	CS

Please mark the appropriate box. If appointment is as a director and secretary, mark both boxes.

NOTES

Show the full forenames NOT INITIALS. If the director or secretary is a Corporation or Scottish firm, show the name on surname line and registered or principal office on the usual residential address line

Give previous forenames or surnames except:
- for a married woman the name before marriage need not be given
- for names not used since the age of 18 or for at least 20 years

A peer or individual known by a title may state the title instead of or in addition to the forenames and surnames

* Voluntary details
\+ Directors only

*Style/title	Mr
Forenames	Christopher James
Surname	STEFFEN
*Honours etc	-
Previous forenames	-
Previous surname	-
Usual residential address	AD 184 West Old Mill Road
Post town	GREENWICH
County/region	CONNECTICUT
Postcode	06831 United States of America
+Date of birth	DO 28 02 42 +Nationality NA USA
+Business Occupation	OC BANKER
+Other directorships	Current - CITICORP
	Past - HONEYWELL INCORPORATED

Other directorships
Give the name of every company incorporated in Great Britain which the person concerned is a director or has been a director at any time in the past 5 years. Exclude a company which either is, or at all times during the past 5 years when the person was a director, was

- dormant
- a parent company which wholly owned the company making the return
- another wholly owned subsidiary of the same parent company

You may use a separate sheet of paper if necessary.

Scope of authority	The extent of the authority to represent the company is (give details)
	Description provided on PAGE 4

Give brief particulars of the extent of the powers exercised (e.g. whether they are limited to powers expressly conferred by the instrument of appointment, or whether they are subject to express limitations.) Where the powers are exercised jointly, give the name(s) of the person(s)

These powers :

£ ☐ May be exercised acting alone,

£ ☒ Must be exercised with :- (give names of co-authorised person(s))

the other members of the Board of Directors for the time being and from time to time col-lectively.

£ Mark as applicable

This return must be delivered to the Registrar within 21 days of the notice being received in Great Britain in due course of post (if despatched with due diligence)

I consent to act as director/secretary of the above named company

NOT APPLICABLE - OVERSEA COMPANY

Consent signature

Signed _____ Date _____

A serving director etc must also sign the form on page 4

ALTERATION OF PARTICULARS

(this section is not for appointments or resignations)

Complete this section in all cases where particulars of a serving director/ secretary have changed and then the appropriate section below

Date of change of particulars DR

Change of particulars, as director XD

Change of particulars, as secretary XS

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes

Forenames (name previously notified to Companies House

Surname

Date of birth (directors only) DC

Change of name (enter new name)

Forenames

Surname

Change of usual residential address (enter new address) AD

Post town

County/region

Postcode Country

Nationality

Change to authority to act (if applicable)

Give brief particulars of any change in the authority of a director to represent the company, including any alteration to the manner in which existing or new powers may be exercised (e.g. requiring them to be exercised with other persons.)

The extent of the authority of the above person to represent the company has been altered to :- (give details)

These powers :

☐ May be exercised alone, or

☐ Must be exercised with : (give names of co-authorised persons)

Mark as applicable

Form BR4

Registration number	Branch name

Scope of Authority - continued from page 2:

The Office of Director confers no general executive authority to represent the Company but rather to manage and administer the business and affairs of the Company. In order to represent the Company they must be either specific--ally empowered by the Board or additionally appointed executive officers pursuant to Article IV 'Officers and Agents' of the By-Laws, which authority shall be expressed through the use of the relevant designated executive title in dealings with third parties.

SIGNATURE: DATED: 10 August 1993

John S Mitchell-Howson
Assistant Secretary, duly authorised.

When completed, this form should be delivered to : -

For branches registered in England and Wales

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

For branches registered in Scotland

The Registrar of Companies
Companies House
100 - 102 George Street
Edinburgh
EH2 3DJ

COMPANIES HOUSE

COMPANIES PR44 18 SEP 1993 HOUSE

BR6

COMPANIES 4 NOV 1993 HOUSE

This form should be completed in blank. This notice must be delivered to the registrar within 21 days of the alteration being made.

Return of change of person authorised to accept service or to represent the branch of an oversea company or of any change in their particulars

(Pursuant to Schedule 21A, paragraph 7(1) of the Companies Act 1985)

Company number FC 1835 Branch number BR001018

Company name CITIBANK, N.A.

Branch name (if different to corporate name)

TERMINATION OF AUTHORITY

See overleaf for appointments and change of particulars

Date of termination 0 1 0 7 9 3

Position vacated (Mark appropriate box(es))

[X] Person authorised to accept service on the company's behalf

[X] Person authorised to represent the company at the branch

Complete these details for resignation of any person authorised to accept service or process on the company's behalf or who was authorised to represent the company in relation to the business of the branch.

Name Mr John McFARLANE

Address Cottons Centre

Hays Lane

LONDON SE1 2QT

To whom should Companies House direct any enquiries about the information on this form.

John S MITCHELL-HEWSON, FCIS

Assistant Secretary, CITICORP

336 Strand

LONDON WC2R 1HB Tel (071) 438 0817

When completed, this form should be delivered to the address on page 4

APPOINTMENT

Persons authorised to represent the company or who may accept service or process

Give the name and address of the person appointed, together with the date of appointment. Mark the box(es) relevant to the appointment. If the appointment is to both positions mark both boxes.

*Delete as appropriate.

* Style/Title Mr

Forenames Ian Douglas

Surname CORMACK

Address Cottons Centre

Hays Lane

County/Region LONDON Postcode SE1 2QT

[X] is authorised to accept service of process on the company's behalf

*AND/OR

[X] is authorised to represent the company in relation to that business

Date of appointment 0 1 | 0 7 | 9 3

SCOPE OF AUTHORITY

The authority to represent the company is :-

Is £ [X] Authorised to accept service of process on the company's behalf

*AND/OR

Is £ [X] Authorised to represent the company in relation to that business

The extent of the authority to represent the company is :- (give details)

Give brief particulars of the extent of the powers exercised. (e.g. whether they are limited to powers expressly conferred by the instrument of appointment; or whether they are subject to express limitations.) Where the powers are exercised, jointly give the name(s) of the person(s) concerned.

Powers and duties conferred under a Power of Attorney granted 09 JULY 1993 effective as of 01 JULY 1993 for the purposes of Article VI 'Foreign Branches' of the By-Laws in addition to being an executive officer pursuant to Article IV 'Officers and Agents' Section 12 of the By-Laws.

These powers :-

£ Mark box(es) as appropriate)

£ [X] May be exercised alone

OR

£ [ ] Must be exercised with :-

(Give name(s) of co-authorised person(s))

2) File

APOSTILLE
(Convention de La Haye du 5 octobre 1961)

1. Country: United States of America

This public document

2. has been signed by . . . . . Norman Goodman . . . . . .

3. acting in the capacity of . . . . . County Clerk . . . . . .

4. bears the seal/stamp of . . . . . County of New York . . . . . .

CERTIFIED

5. at New York, New York 6. the . 15th day of July, 1993 . . . . .

7. by Special Deputy Secretary of State, State of New York

8. No. NYC- . . 70864 . . . .

9. Seal/Stamp

10. Signature

. . Rosalie V. DiMotta . . .

Rosalie V. DiMotta
Special Deputy
Secretary of State

CERTIFICATION

I hereby Certify that this is a true and correct copy of the original

John S. Tatshell Howson, FCIS
Assistant Secretary, CITIBANK, N.A.

Dated: 2 NOV 93

-413 (Rev. NYC 3/89)

STATE OF NEW YORK)
COUNTY OF NEW YORK)

POWER OF ATTORNEY

-to-

IAN CORMACK

UNITED KINGDOM

In the City, County and State of New York, United States of America, on this 2nd day of July, 1993, before me a Notary Public in and for the State and County of New York, United States of America, and the undersigned resident witnesses, legally qualified and personally known to me, appeared: (1) Arthur de Graffenried, hereinafter referred to as the "Executing Officer"), a Banker, domiciled in Westport, CT, and holding the office of Chairman, Restructuring Committee of CITIBANK, N. A. (hereinafter referred to as the "Bank"), a national banking association duly constituted, registered and in existence in accordance with the laws of the United States of America now in force, and (2) George E. Seegers, a Banker domiciled in East Windsor, New Jersey the Secretary Pro-Tem of the Bank (hereinafter referred to as, and in his capacity of, "Secretary Pro-Tem").

I, the Notary Public, being an Attorney-at-law, as hereinbelow stated, do hereby CERTIFY AND ATTEST:

A. That the Executing Officer and the Secretary Pro-Tem are of full age, competent to act in the premises, to me personally known, and that they are authorized to execute this instrument by virtue of the powers granted to them pursuant to the By-Laws of the Bank and the laws of the United States of America, and that the Executing Officer said that he hereby appoints and nominates Ian Cormack (hereinafter referred to as "the Attorney-in-fact"), a banker, of legal age, now residing in the United Kingdom to act in the name or on behalf of Citibank, N.A. or any of its branches in the United Kingdom. The Attorney-in-fact is hereby authorized and empowered, effective as of the 1st day of July, 1993, to act as follows:

CERTIFICATION

I hereby Certify that this is a true and correct copy of the original

John S Mitchell-Heinen FCIS
Assistant Secretary, CITIBANK, N.A.

Dated: 2 NOV 93

I. To manage, transact and generally conduct, in the name of the Bank, and in its place and stead, a general banking business at any and all Branches, agencies or offices of the Bank now or hereafter established, with all powers and authority requisite and necessary for that purpose and, subject to the limitations hereinafter expressed, to sign the name of the Bank whenever requisite or expedient in the transaction and conduct of its said business and, generally, to do each and every such act, matter or thing as the nature of the said banking business may require;

II. To: (1) sign ordinary correspondence and indorsements on checks and other bills of exchange deposited for the credit of the Bank; (2) make, sign, draw, issue, indorse, discount, negotiate, pay, accept, collect, receive, renew, extend and protest any and all bills of exchange (whether checks or drafts), promissory notes, letters of credit or other negotiable instruments and other documents of credit, and advices of drafts drawn; (3) buy, sell, receive, hold, indorse, transfer, deliver, hypothecate and pledge any and all bills of exchange (whether checks or drafts), bills of lading, insurance certificates, bullion, checks, drafts, exchange, money, accounts, notes, bonds or other negotiable instruments, real and personal property or documents purporting to evidence title thereto, and any and all securities or property whatsoever; (4) accept the transfer and delivery of any and all shares of the capital stock of any corporation or association, whether organized for banking, commercial, industrial or other purposes, including bonds of any State and any and all States' securities, with power to carry out all formalities required by law and regulations applying to the transfer and registration thereof; (5) indorse, transfer and deliver such certificates or shares or securities and to effect such transfer on the books of any corporation or association; (6) act as trustee or special depositary; (7) borrow money with or without security; (8) hire, rent or lease any and all real estate and personal property, with power to execute all necessary indentures, leases and other documents in connection therewith, upon such terms as the Attorney-in-fact may find proper, and to accept guaranties and chattel mortgages; (9) take mortgages on real estate or on mortgage credits; cancel them partially or totally, modify or extend them, or to cede, transfer, assign, postpone or otherwise dispose of them with or without general or special warranty;

III. To open, receive, and maintain deposit and other accounts;

IV. To make loans, with or without collateral security;

V. To ask, demand, collect, receive and take all necessary and lawful means to recover any and all moneys, debts or property and to give acquittances therefor;

VI. To give, receive and carry out orders on commission and to forward goods and securities;

VII. To carry out custom house operations;

VIII. To make or obtain acknowledgements and waybills;

IX. To take delivery of letters, telegraphic messages, drafts, packages and securities of any kind, from State Offices or from the Post Offices, Railway, Airline, Express or Steamship companies against the necessary receipt and discharge signature;

X. To procure insurance against fire, marine or other risks to property of the Bank, or in which it may be concerned or have or represent any interests;

XI. To register deeds and other documents and these presents and to pay any and all taxes, fees or other governmental charges determined by law;

XII. To attach, distrain or replevy property;

XIII. To liquidate accounts with debtors and creditors, approving or disapproving their balances;

XIV. To apply for letters of administration upon the estate, or for the appointment of a liquidator or receiver, of any debtor; to institute proceedings in bankruptcy, insolvency or judicial liquidation; to prove, guarantee, verify, accept, dispute or prosecute claims and to sign any composition or other agreement and, in general, to represent the Bank in such proceedings, or in the affairs of any corporation, association or firm and, on behalf of the Bank, to become a director or officer thereof;

XV. To attend, take part in or vote at any and all meetings of creditors, shareholders, directors or officers of any corporation or association or for other business purposes, or to give proxy therefor;

XVI. To adjust, compound, compromise, contest, defend, settle or submit to arbitration, or to the decision of amicable referees, any and all controversies, suits, actions and other legal or equitable proceedings in which the Bank may be interested, and to participate in any plan of distribution of funds;

XVII. To represent and defend the Bank and its interests before any and all judges and courts, of all classes and jurisdictions, in any action, suit or proceeding in which the Bank may be a party or may be interested in administrative, civil, criminal, contentious or contentious-administrative matters, and in all kinds of lawsuits, recourses or proceedings of any kind or nature, with complete and absolute representation of the Bank, whether as plaintiff or defendant, or as an interested party for any reason whatsoever, and with power to institute actions, file exceptions, counterdemand, submit proofs and allegations, initiate the regular and special recourses, make bids, undertake the execution of sentences, challenge all kinds of judges or officials, propound interrogatories, request the recognition of signatures or of documents, institute all kinds of actions for the repression of crimes, file pleas for "amparo" and oppose its being granted to others, and desist from all classes of actions, exceptions and recourses; and for the purpose of representing the Bank before any and all judges and courts and in any action, suit or proceeding whatsoever in which the Bank is interested, to employ, retain, dismiss and grant all necessary powers in favor of solicitors, proctors, lawyers or other persons suitable to defend the rights, privileges and interests of the Bank; and, in general, to exercise all the rights of the Bank in all kinds of suits, actions and legal or equitable proceedings, with power to collect the amount sums lodged in Court on behalf of the Bank and for such amounts collected to make out receipts in legal form;

XVIII. To employ, retain, suspend or dismiss any and all tellers, clerks and other employees at any Branch, agency or office of the Bank now or hereafter established;

XIX. To authenticate by her signature at any time(s) for the purpose of giving full force and effect thereto for all purposes under any law in force in any country or subdivision of any country; (a) any writing signed by any of the following officers of the Bank; the Chairman, or the President, or any Vice Chairman/Sector Executive, or any Senior Executive Vice President, or any Executive Vice President, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, and (b) the then current "Circular of Authorized Signatures of Citibank, N. A. and its Branches". Every such writing of the current Circular so authenticated by her shall be entitled to full faith and credit before every office and authority in any country or subdivision of any country; and

XX. To present for official registration certified copies of the Bank's Articles of Association, By-Laws and any other documents required by the laws of any country or place in which this Power of Attorney may be registered or exercised, and to do and perform any and all other acts and things required by the laws of any such country or place relating to the establishing or the maintenance in business of foreign corporations therein and the opening of branches thereof; and

XXI. To substitute or delegate this Power of Attorney in whole or in part in favor of such one or more employees of the Bank, as he may deem advisable, but without divesting himself of any of the powers granted to him by this Power of Attorney; and to grant and execute in favor of any one or more such employees, powers of attorney containing all or such authorizations, as he may deem advisable. Such substitutions, or delegations, and powers of attorney, shall remain in effect after the Attorney-in-fact herein shall have ceased to represent the Bank in the country for which the said employees concerned were appointed, and also after said employees may have been transferred to another country or countries, unless and until revoked by the Attorney-in-fact herein who is hereby granted the necessary power or revocation, or by any other attorney-in-fact of the head office of the Bank having such power of revocation. He may also revoke powers of attorney heretofore granted directly by the Head Office of the Bank to any of its employees.

B. That the Executing Officer also said that the Bank hereby ratifies and confirms all that the Attorney-in-fact may or shall lawfully do or cause to be done within the powers conferred upon him by virtue of this instrument, including that which he may do or cause to be done after the revocation of the said powers but before notification of such revocation.

C. That the Secretary Pro-Tem is the Secretary Pro-Tem of the Board of Directors of the Bank and that he exhibited to me the Minute Book of the Bank which verifies each of the following to be true and correct:

1. That on September 18, 1984, the Board of Directors of Citibank, N.A., in accordance with Article IV, Section 13 of the Citibank, N.A. By-Laws (Article IV, Section 14 under the current By-Laws), established a senior officer position known as "Chairman, Restructuring Committee," which has general executive powers as well as specific powers conferred by the By-Laws for senior officers.

2. The By-Laws of the Bank, as now in force, contain among others the following provisions:

"ARTICLE IV

OFFICERS AND AGENTS

SECTION 10. SECRETARY. The Board of Directors shall appoint a Secretary, who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He shall be custodian of the corporate seal, records, documents and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, or any Vice Chairman.

* * * * *

"ARTICLE X

MISCELLANEOUS PROVISIONS

2. EXECUTION OF INSTRUMENTS. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by . . . any Executive Vice President/Group Executive/Senior Corporate Officer. . . . the Secretary . . . or anyone holding a position equivalent to the foregoing . . .."

* * * * *

3. The Board of Directors of the Bank, at its Organization Meeting, duly held with a legal quorum on April 20, 1993 appointed the Executing Officer as a Chairman, Restructuring Committee and the Secretary Pro-Tem as such, of the Bank, and such appointments have continued, and are now in full force and effect.

4. That the Secretary Pro-Tem stated to me that under Article IV, Section 10 and Article X, Section 2 of the By-Laws of the Bank, the Executing Officer has had duly conferred on him the power to execute this Power of Attorney.

D. That the Bank exists in perpetuity in accordance with the laws of the United States of America.

E. That I am a Notary Public in the State of New York, and as such Notary Public am duly authorized to act as such in the County of New York; that I am also an Attorney-at-law, duly authorized to practice as such in the State of New York, and that I have my office at 399 Park Avenue in the City and County of New York; that the Executing Officer and the Secretary are now in the exercise of their respective offices as hereinbefore stated, and that the Executing Officer and the Secretary Pro-Tem have declared before me under their most absolute responsibility that the particulars contained herein are in full force.

F. That this document is executed after I had made to the Executing Officer and the Secretary Pro-Tem all the legal admonitions and after they had read this instrument; that it is executed in accordance with the laws of the United States of America and of the State of New York, United States of America, and with the extrinsic requisites and formalities that said laws require in order to constitute the same a public document.

G. This power of attorney shall supercede all other powers of attorney issued in respect of the same subject matters.

For CITIBANK, N.A.

(Executing Officer)

(Secretary Pro-Tem)

Witnesses:

COUNTY CLERK NEW YORK COUNTY

State of New York
County of New York, } ss.:

No. 47284

I, NORMAN GOODMAN, County Clerk and Clerk of the Supreme Court of the State of New York, in and for the County of New York, a Court of Record, having by law a seal,
DO HEREBY CERTIFY pursuant to the Executive Law of the State of New York, that

whose name is subscribed to the annexed affidavit, deposition, certificate of acknowledgment or proof, was at t time of taking the same a NOTARY PUBLIC in and for the State of New York duly commissioned, sworn an qualified to act as such; that pursuant to law, a commission or a certificate of his official character, with h autograph signature has been filed in my office; that at the time of taking such proof, acknowledgment or oath, h was duly authorized to take the same; that I am well acquainted with the handwriting of such NOTARY PUBL or have compared the signature on the annexed instrument with his autograph signature deposited in my office, a I believe that such signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my official seal this

JUL 13 1993

FEE PAID $3.00

County Clerk and Clerk of the Supreme Court, New York Cour

CHANGE OF PARTICULARS

Mark the appropriate box. If change relates to both positions, mark both boxes

Date of change [ ][ ][ ]

☐ Change of particulars of person authorised to accept service

☐ Change of particulars of person authorised to represent the company

Change of name

Name previously notified to Companies House

Forenames _____

Surname _____

New name

Forenames _____

Surname _____

Change of residential address
(enter new address)

Address _____

_____

Post town _____

County/Region _____ Postcode _____

Country _____

Change of authority to act

(this part does not apply to a person authorised to accept service on behalf of the company)

Give brief particulars of any change in the authority of the officer to represent the company, including any alteration to the manner in which the existing or new powers may be exercised (e.g. requiring them to be exercised with other persons)

The extent of the authority of the above person to represent the company has been altered to :- (give details)

_____

_____

_____

_____

The powers :

£ ☐ May be exercised alone

or

£ ☐ must be exercised with : (give names of co-authorised person(s))

_____

_____

_____

_____

£ Mark appropriate box

Signature

Signed [signature] Assistant ~~Secretary~~ (Permanent representative)

Date 16 SEPTEMBER 1993

* Delete as applicable

FC 1835

OFFERING CIRCULAR

CITIBANK

Citibank, N.A.

2,500,000 FT-SE 100 CitiTrak Units
25,000,000 S&P 500 CitiTrak Units
5,000,000 IBEX 35 CitiTrak Units
7,500,000 DAX CitiTrak Units
7,500,000 BCI 30 CitiTrak Units
5,000,000 SMI CitiTrak Units

The 2,500,000 FT-SE 100 CitiTrak Units linked to the FT-SE 100 Index (the "FT-SE 100 CitiTrak Units"), the 25,000,000 S&P 500 CitiTrak Units linked to the Standard and Poor's 500 Composite Stock Price Index (the "S&P 500 CitiTrak Units"), the 5,000,000 IBEX 35 CitiTrak Units linked to the IBEX 35 Index (the "IBEX 35 CitiTrak Units"), the 7,500,000 DAX CitiTrak Units linked to the DAX Index (the "DAX CitiTrak Units"), the 7,500,000 BCI 30 CitiTrak Units linked to the BCI 30 Index (the "BCI 30 CitiTrak Units") and the 5,000,000 SMI CitiTrak Units linked to the SMI Index (the "SMI CitiTrak Units") will be unsecured obligations of Citibank, N.A., London Branch ("Citibank"). The Units fall within Part IV of the Financial Services Act 1986.

The Units will be settled on June 21, 1996 (the "Settlement Date") and on that date will give the Unitholder the right to receive the Settlement Amount (as defined in "Description of the Units" below).

The Units were offered initially at a price of £29.91 for each FT-SE 100 CitiTrak Unit, $4,267 for each S&P 500 CitiTrak Unit, £16.12 for each IBEX 35 CitiTrak Unit, DM22.44 for each DAX CitiTrak Unit, Itl 18,296 for each BCI 30 CitiTrak Unit, and SFr. 25.80 for each SMI CitiTrak Unit and, thereafter, the Units may be offered from time to time in the over-the-counter market or otherwise at prevailing prices or in negotiated transactions, at the discretion of Citibank International plc ("CIP"). Interest will not accrue and will not be payable on the Units.

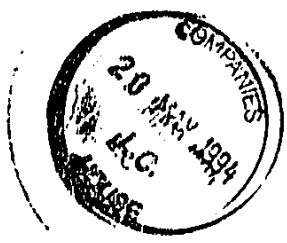
A Global FT-SE 100 CitiTrak Unit, a Global S&P 500 CitiTrak Unit, a Global IBEX 35 CitiTrak Unit, a Global DAX CitiTrak Unit, a Global BCI 30 CitiTrak Unit, and a Global SMI CitiTrak Unit (together, the "Global Units") representing the FT-SE 100 CitiTrak Units, the S&P 500 CitiTrak Units, the IBEX 35 CitiTrak Units, the DAX CitiTrak Units, the BCI 30 CitiTrak Units and the SMI CitiTrak Units (together the "Units") respectively, will be deposited on or about May 25, 1994 with a common depositary outside the United States and the United Kingdom for Morgan Guaranty Trust Company of New York, Brussels office as operator of the Euroclear System ("Euroclear") and Centrale de Livraison de Valeurs Mobilières S.A. ("CEDEL").

Application will be made to The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited (the "London Stock Exchange") for the Units to be admitted to the Official List. Copies of this Offering Circular will be delivered to the Registrar of Companies in England and Wales as required by Section 149 of the Financial Services Act 1986.

The Units have not been registered and will not be registered under the United States Securities Act of 1993, as amended (the "Securities Act") or any state securities law. The Units may not at any time be offered, sold or delivered directly or indirectly in the United States (as defined herein) or to, or for the account or benefit of, any U.S. person (as defined herein). Each purchaser of Units will be deemed to make certain representations in respect of non-US beneficial ownership as described herein under "Purchase and Selling Restrictions".

CITIBANK INTERNATIONAL plc
CITIBANK AG
CITIBANK (SWITZERLAND)

May 20, 1994



COMPANIES
20 MAY 1994
U.C.
HOUSE

This Offering Circular comprises listing particulars given in compliance with the listing rules made under Section 142 of the Financial Services Act 1986 by the London Stock Exchange for the purpose of giving information with regard to Citibank and its subsidiaries and the Units. Citibank accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of Citibank (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation not contained in this Offering Circular. Any information or representation not contained herein must not be relied upon as having been authorised by or on behalf of Citibank or the Purchasers (as defined herein). Neither the delivery of this Offering Circular at any time nor any sale made in connection with the offering of the Units shall under any circumstances imply that any information or representation contained herein is correct at any time subsequent to its date.

This Offering Circular does not constitute an offer of or an invitation by or on behalf of Citibank to subscribe for or purchase any of the Units. The distribution of this Offering Circular and the offering of the Units in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by Citibank to inform themselves about, and to observe, any such restrictions. For a further description of certain restrictions on offers and sales of Units and on distribution of this Offering Circular, see "Purchase and Selling Restrictions" below.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to "U.S. dollars", "U.S.$" and "$" are to the lawful currency of the United States of America, references to "sterling" and "£" are to the lawful currency of the United Kingdom, references to "pesetas" and "Pta" are to the lawful currency of Spain, references to "deutschemark" and "DM" are to the lawful currency of Germany, references to "Italian lire" and "lit" are to the lawful currency of Italy and references to "Swiss francs" and "SFr." are to the lawful currency of Switzerland. As used herein, the term "United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction and the term "U.S. person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States, or an estate or trust the income of which is subject to United States federal income taxation regardless of its source or any other person or entity falling within the definition of the term "U.S. person" under Regulation S promulgated under the Securities Act.

The information set out in this Offering Circular concerning the FT-SE 100 Index (the "FT-SE 100 Index"), the Standard and Poor's 500 Composite Stock Price Index (the "S&P 500 Index"), the IBEX 35 Index (the "IBEX 35 Index"), the Deutscher Aktienindex (the "DAX Index"), the Banca Commerciale Italiana Index (the "BCI 30 Index") and the Swiss Market Index (the "SMI Index") is intended as a summary only of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index and the SMI Index respectively current at the date hereof. None of the Purchasers nor Citibank assumes any responsibility for the calculation or dissemination of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index.

The Units are not in any way sponsored, endorsed, sold or promoted by the London Stock Exchange, The Financial Times Limited (the "FT"), Standard and Poor's Corporation ("S&P"), Sociedad de Bolsas, S.A., the Frankfurter Wertpapierbörse AG, the Banca Commerciale Italiana or the Association Tripartite Bourses, and none of the London Stock Exchange, the FT, S&P , Sociedad de Bolsas, S.A., the Frankfurter Wertpapierbörse AG, the Banca Commerciale Italiana nor the Association Tripartite Bourses makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index and/or the figure at which the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index stands at any particular time, on any particular day or otherwise. The FT-SE 100 is compiled and calculated solely by the London Stock Exchange. The S&P 500 Index is compiled and calculated by S&P. The IBEX 35 Index is compiled by Sociedad de Bolsas, S A. The DAX Index is compiled and calculated by the Frankfurter Wertpapierbörse AG. The BCI 30 Index is compiled and calculated by Banca Commerciale Italiana. The SMI Index is compiled and calculated by Association Tripartite Bourses. However, none of the London Stock Exchange, the FT, S&P, Sociedad de Bolsas, S.A., the Frankfurter Wertpapierbörse AG, the Banca Commerciale Italiana or the Association Tripartite Bourses shall be liable (whether in negligence or otherwise) to any person for any error in the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index and none of the London Stock Exchange, the FT, S&P, Sociedad de Bolsas, S.A., the Frankfurter Wertpapierbörse AG, the Banca Commerciale Italiana nor the Association Tripartite Bourses shall be under any obligation to advise any person, including a purchaser or vendor of the Units, of any error therein.

In addition, neither the London Stock Exchange, S&P, the Frankfurter Wertpapierbörse AG, the Sociedad de Bolsas, S.A., the Banca Commerciale Italiana or the Association Tripartite Bourses gives any assurance regarding any modification or change in any methodology used in calculating the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index and is under no obligation to continue the calculation, publication and dissemination of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index. However, the terms of the Units provide that, in the event of certain circumstances affecting the calculation and publication of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index, Citibank International plc (the "Unit Agent") shall make such calculations with regard to the FT-SE 100 Index, the S&P 500 Index , the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index as may be required based on the method in use prior to the occurrence of such circumstance, as more particularly described in "Description of the Units — Discontinuance or Modification of Index". The Unit Agent will not have responsibility for any errors or omissions in the calculation and dissemination of the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index or the Settlement Amount (as defined herein) calculated hereunder or for the manner in which it is applied in valuing the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index. All disclosures contained in this Offering Circular regarding the FT-SE 100 Index, the S&P 500 Index, the IBEX 35 Index, the DAX Index, the BCI 30 Index or the SMI Index, including, without limitation, its make-up, method of calculation and changes in its components, are derived from publicly available information prepared by the London Stock Exchange, S&P, Sociedad de Bolsas, S.A., the Frankfurter Wertpapierbörse AG, the Banca Commerciale Italiana or Association Tripartite Bourses and none of the Purchasers nor Citibank has independently verified any of such information.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by Citicorp with the United States Securities and Exchange Commission are incorporated as of their respective filing dates in this Offering Circular by reference:

(1) Annual Report and Form 10-K for the fiscal year ended December 31, 1993, filed pursuant to Section 13 of the Securities Exchange Act of 1934 (the "Exchange Act");

(2) Financial Review and Form 10-Q for the quarter ended March 31, 1994, filed pursuant to section 13 of the Exchange Act; and

(3) Current Reports on Form 8-K dated January 18, 1994 and April 19, 1994, filed pursuant to Section 13 of the Exchange Act.

All reports subsequently filed by Citicorp pursuant to Sections 13(a) and (c) of the Exchange Act, any definitive proxy or information statements filed pursuant to Section 14 of the Exchange Act in connection with any stockholders' meeting and any reports filed pursuant to Section 15(d) of the Exchange Act prior to the termination of the offering of the Units offered hereby shall be deemed to be incorporated by reference into this Offering Circular but do not form part of the Listing Particulars.

Citicorp will provide without charge to each person, including any beneficial owner of Units, to whom this Offering Circular is delivered, on the request of any such person, a copy of any or all of the foregoing documents incorporated herein by reference (other than exhibits to such documents). Written or telephone requests should be directed to Citicorp, 850 Third Avenue, 13th Floor, New York, NY 10043, Attention: Corporate Affairs Distribution, (212) 559-0233.

DESCRIPTION OF THE UNITS

The Units are issued pursuant to a Unit Agreement dated May 20, 1994 (the "Unit Agreement") made between Citibank, N.A., London Branch ("Citibank") and Citibank International plc as Unit agent (the "Unit Agent"). The following statements are summaries of certain of the provisions of the Unit Agreement, copies of which will be available for inspection at the specified office of the Unit Agent. Such statements do not purport to be complete and are qualified in their entirety by reference to the Unit Agreement. The Unitholders (as defined below) are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of the Unit Agreement.

1. Form and Transfer

The FT-SE 100 CitiTrak Units, the S&P 500 CitiTrak Units, the IBEX 35 CitiTrak Units, the DAX CitiTrak Units, the BCI 30 CitiTrak Units and the SMI CitiTrak Units will at all times be represented respectively by a Global FT-SE 100 CitiTrak Unit, a Global S&P 300 CitiTrak Unit, a Global IBEX 35 CitiTrak Unit, a Global DAX CitiTrak Unit, a Global BCI 30 CitiTrak Unit and a Global SMI CitiTrak Unit each in bearer form (the "Global Units"). The Global Units will be deposited with a common depositary outside the United States and the United Kingdom on behalf of Morgan Guaranty Trust Company of New York, Brussels office as operator of the Euroclear System ("Euroclear") and *Centrale de Livraison de Valeurs Mobilières S.A.* ("CEDEL"). Upon deposit of the Global Units, Euroclear and/or CEDEL, as the case may be, will credit the account outside the United States maintained or designated by Citibank International plc ("CIP") or any purchaser of the Units represented by the Global Units with an aggregate amount of Units equal to the total amount of Units which it has purchased. For the purposes of these Conditions the Unitholders shall mean the persons for the time being appearing in the books of Euroclear or CEDEL as holding Units and "holder" shall be construed accordingly. All transactions in (including transfers of) Units, in the open market or otherwise, must be effected through an account with Euroclear or CEDEL. Transfer of the Units to Unitholders will pass upon registration of the transfer in the books of Euroclear or CEDEL.

2. Status of Units, Illegality

The Units constitute direct, general and unsecured contractual obligations of Citibank and rank *pari passu* among themselves and with all other present and future outstanding, unsecured and unsubordinated obligations of Citibank, subject to Section 11(d)(ii) of the United States Federal Deposit Insurance Act, as amended and subject to the following sentences. The Omnibus Budget Reconciliation Act of 1993 of the United States requires that payments in a liquidation or other resolution of any FDIC-insured depository institution, of which Citibank is one, be paid in the following order of priority: the receiver's administrative expenses, domestic deposits, other general or senior liabilities of such depository institution including foreign deposits, subordinated obligations and finally, obligations to shareholders. Such priority however,

which applies to all United States-based banks, is subject to the application of United Kingdom law, which may preclude the receiver's ability to apply assets of Citibank N.A., London Branch to the satisfaction of a preference to pay United States depositors.

If there shall occur a change in law in the United Kingdom (a "Relevant Change") which results in an inability on the part of Citibank lawfully to perform its obligations hereunder through its London Branch, then until such time as Citibank is again able lawfully to perform its obligations hereunder through its London Branch, the obligations of Citibank hereunder shall be suspended and no Unitholder shall have any claim whatsoever arising out of such suspension against any of the assets either in the United Kingdom or elsewhere of Citibank.

Upon Citibank determining a Relevant Change has occurred, it shall give notice of such fact and of the suspension of the obligations of Citibank hereunder to Unitholders in accordance with Condition 7 below, as soon as reasonably practicable thereafter, provided that any failure on the part of Citibank so to notify Unitholders shall be without prejudice to the operation of the previous paragraph. Upon Citibank determining that it can once again lawfully perform its obligations hereunder through its London Branch, it shall give notice of such fact to the Unitholders in accordance with Condition 7. If a Relevant Change shall occur after the Settlement Date (as defined below) and on or before the relevant Payment Date, then the settlement referred to in 3(a) below shall for all purposes be deemed not to have taken place.

3. Settlement Rights

For the purposes of these Conditions:—

"BCI 30 Index" means the Banca Commerciale Italiana 30 Index;

"Business Day" means a day (other than a Saturday) on which banks are open for business in London and on which Euroclear and CEDEL are open for business, and in respect of the S&P 500 CitiTrak Units, means a day on which banks are also open in New York, and in respect of the IBEX 35 CitiTrak Units, means a day on which banks are also open in Madrid, and in respect of the DAX CitiTrak Units, means a day on which banks are also open in Frankfurt am Main, and in respect of the BCI 30 CitiTrak Units, means a day on which banks are also open in Milan, and in respect of the SMI CitiTrak Units, means a day in which banks are also open in Basle, Geneva and Zürich;

"DAX Index" means the Deutsche Aktienindex;

"deutschemarks", "pfennig" and "DM" means the lawful currency of Germany;

"D.T.B." means the Deutsche Termin Börse GmbH;

"Frankfurt Stock Exchange" means the Frankfurter Wertpapierbörse AG;

"FT-SE 100" means the FT-SE 100 Index;

"IBEX 35 Index" means the Indice Oficial de Mercanado Continuo de la Bolsa Espanola;

"Index" means in respect of the FT-SE 100 CitiTrak Units the FT-SE 100 Index (an index published by the London Stock Exchange), in respect of the S&P 500 CitiTrak Units the Standard and Poor's 500 Composite Stock Price Index (an index published by Standard and Poor's Corporation ("S&P")), in respect of the IBEX 35 CitiTrak Units the IBEX 35 Index (an index published by Sociedad de Bolsas, S.A.), in respect of the DAX CitiTrak Units, the DAX Index (an index published by the Frankfurt Stock Exchange), in respect of the BCI 30 CitiTrak Units, the BCI 30 Index (an index published by Banca Commerciale Italiana), and in respect of the SMI CitiTrak Units, the SMI Index (an index published by Association Tripartite Bourses);

"Index Business Day" means in respect of the FT-SE 100 CitiTrak Units a day on which the London International Financial Futures Exchange (or its successor), the London Traded Options Market (or its successor) and the London Stock Exchange are open for business, in respect of the S&P 500 CitiTrak Units means a day on which the American Stock Exchange, the New York Stock Exchange, NASDAQ (or its successor), the Chicago Mercantile Exchange (or its successor), the Chicago Board of Options Exchange (or its successor) and the New York Futures Exchange (or its successor) are open for business, in respect of the IBEX 35 CitiTrak Units means a day on which the Madrid Stock Exchange and the MEFFRV (or its successor) are open for business, in respect of the DAX CitiTrak Units means a day on which the Frankfurt Stock Exchange and the D.T.B. (or its successor) are open for business, in respect of the BCI 30 CitiTrak Units means a day on which the Milan Stock Exchange and any Italian futures exchange (should such an exchange be formed after the date of this Circular) are open for business, and in respect of the SMI CitiTrak Units means a day on which the Basle, Geneva and Zürich Stock Exchanges and the SOFFEX (or its successor) are open for business;

"Italian lire" and "lit" mean the lawful currency of Italy;

"London Stock Exchange" means The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited;

"Madrid Stock Exchange" means Bolsa de Valores de Madrid;

"Market Disruption Event" means in respect of any Index:

(i) the suspension or material limitation of trading in (a) a material number of the securities from time to time comprising the component securities of the Index or (b) in respect of the FT-SE 100 CitiTrak Units, securities generally on the London Stock Exchange, in respect of the S&P 500 CitiTrak Units, securities generally on the New York Stock Exchange, the American Stock Exchange or NASDAQ, in respect of the IBEX 35 CitiTrak Units, securities generally on the Madrid Stock Exchange, in respect of the DAX CitiTrak Units, securities generally on the Frankfurt Stock Exchange, in respect of the BCI 30 CitiTrak Units, securities generally on the Milan Stock Exchange, or in respect of the SMI CitiTrak Units, securities generally on the Basle, Geneva and Zürich Stock Exchanges; or

(ii) the suspension or material limitation of trading in futures contracts or options contracts related to the Index traded on, in respect of the FT-SE 100 CitiTrak Units, the London International Financial Futures Exchange or the London Traded Options Market, in respect of the S&P 500 CitiTrak Units, the Chicago Mercantile Exchange, the New York Futures Exchange or the Chicago Board of Options Exchange, in respect of the IBEX 35 CitiTrak Units, the MEFFRV, in respect of the DAX CitiTrak Units, the D.T.B. and in respect of the BCI 30 CitiTrak Units, any Italian futures exchange (should such an exchange be formed after the date of this Circular) or in respect of the SMI CitiTrak Units, the SOFFEX (or its successor).

A limitation on the hours and number of days trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price otherwise exceeding levels permitted by the relevant exchange will constitute a Market Disruption Event;

"MEFFRV" means the Mercado de Futuros Financieros Renta Variable;

"Payment Date" means the fifth Business Day after the Settlement Date;

"pesetas and Pta" means the lawful currency of Spain;

"Settlement Value" means in respect of the FT-SE 100 CitiTrak Units the average level of the FT-SE 100 Index between 10.10 a.m. and 10.30 a.m. (UK time) on the Settlement Date, in respect of the S&P 500 CitiTrak Units, the value of the Standard & Poor's 500 Composite Stock Price Index represented by the special opening quotation (the Special Opening Quotation) which is based on the actual opening values of the component stocks in the Index (and where a stock does not open on that day, its last sale price is used in the Special Opening Quotation) as displayed on Reuters screen, SDX on the Settlement Date, in respect of the IBEX 35 CitiTrak Units, the average value of the IBEX 35 Index between 16.15 and 16.45 hours (Spanish time) on the Settlement Date in respect of the DAX CitiTrak Units, the value of the DAX Index calculated on the basis of the opening prices established on the Settlement Date, in respect of the BCI 30 CitiTrak Units, the level of the BCI 30 Index as at 4.00 p.m. (Italian time) on the Settlement Date as displayed on Reuters page, BCIJ, and in respect of the SMI CitiTrak Units, the average value of the SMI Index from the values given each minute over the final thirty minutes of trading, including the final settlement figure on the Settlement Date;

"SMI" means the Swiss Market Index;

"SOFFEX" means the Swiss Options and Futures Exchange;

"sterling", "pounds", "penny" and "£" means the lawful currency of the United Kingdom;

"Swiss francs" and "SFr." means the lawful currency of Switzerland;

"U.S. dollars", "cents" and "$" means the lawful currency of the United States of America.

(a) Settlement Date

Each of the Units shall automatically and without the requirement for any action by the Unitholders be settled on June 21, 1996 (or if for any reason that is not an Index Business Day then on the next succeeding Index Business Day) (the "Settlement Date"), subject to suspension as provided for in Condition 2.

(b) Settlement Amount

Each Unit entitles the holder thereof to receive the Settlement Amount from Citibank on the Payment Date (the "Settlement Amount"), calculated as set out below.

The Settlement Amount in respect of the FT-SE 100 CitiTrak Units is an amount in pounds sterling, in respect of the S&P 500 CitiTrak Units is an amount in US dollars, in respect of the IBEX 35 CitiTrak Units is an amount in pounds sterling, in respect of the DAX CitiTrak Units is an amount in deutschemarks, in respect of the BCI 30 CitiTrak Units is an amount in lire, and in respect of the SMI CitiTrak Units is an amount in Swiss francs. The Settlement Amount will be calculated (rounded to the nearest penny, cent, peseta, pfennig, Italian lire or Swiss franc as the case may be, half a penny, cent, peseta, pfennig, Italian lire or Swiss franc as the case may be, being rounded upwards) by the Unit Agent in accordance with the following formula:

$A = B \times C$

Where:—

'A' is the Settlement Amount;

'B' is the Settlement Value; and

'C' is £0.01 in respect of the FT-SE 100 CitiTrak Units, $0.01 in respect of the S&P 500 CitiTrak Units, the sterling equivalent of Pta 1 at the sterling/peseta spot rate as published in the Financial Times on the Settlement Date in respect of the IBEX 35 CitiTrak Units, DM0.01 in respect of the DAX CitiTrak Units, lit 100 in respect of the BCI 30 CitiTrak Units and SFr. 0.01 in respect of the SMI CitiTrak Units.

If in the opinion of the Unit Agent a Market Disruption Event has occurred in respect of any Index and is continuing at the Settlement Date, then the Settlement Date will be postponed to the first following Index Business Day on which there is no Market Disruption Event in respect of that Index unless there is a Market Disruption Event on each of the five Index Business Days immediately following the original date that, but for the Market Disruption Event, would have been the Settlement Date. In that case, (i) that fifth Index Business Day shall be deemed to be the Settlement Date, notwithstanding the Market Disruption Event, and (ii) the Unit Agent shall determine the level of the Index in accordance with the procedure specified under "Settlement Value" above for the relevant Units on that fifth Index Business Day in accordance with (subject to the provisions on "Discontinuance or Modification of Index" set forth below) the formula for and method of calculating the Index last in effect prior to the commencement of the Market Disruption Event using the relevant price (being the traded, opening, closing, official, middle market or other price which is normally used in the computation of the Index) on the relevant exchange (or, if trading in a relevant security has been suspended or materially limited, the Unit Agent's good faith estimate of the relevant traded, opening or closing price of the relevant security on the relevant exchange that would have prevailed but for that suspension or limitation) at the relevant time on that fifth Index Business Day of each security comprising the Index.

(c) Discontinuance or Modification of Index

(i) Third Party Calculates and Reports Index

If any Index is not calculated and published by the London Stock Exchange, S&P, Sociedad de Bolsas, S.A., the Frankfurt Stock Exchange, the Banca Commerciale Italiana or the Association Tripartite Bourses as the case may be but is calculated and reported by another person or party acceptable to the Unit Agent (the "Third Party"), the Settlement Amount shall nevertheless be calculated by the Unit Agent by reference to the Settlement Value so calculated and reported by the Third Party.

(ii) Successor Index

If none of the London Stock Exchange, S&P, Sociedad de Bolsas, S.A., the Frankfurt Stock Exchange, the Banca Commerciale Italiana or the Association Tripartite Bourses as the case may be nor any Third Party publishes any Index but instead publishes a successor or substitute index that the Unit Agent determines, in its discretion, to be comparable to the relevant Index (any such successor or substitute index being hereinafter referred to as a "Successor Index"), then any Settlement Amount shall be calculated by the Unit Agent by reference to the Successor Index in such manner as the Unit Agent determines in its discretion to be appropriate.

(iii) Modification of Calculation of Index

If, after May 20, 1994 the London Stock Exchange, S&P, Sociedad de Bolsas, S.A., the Frankfurt Stock Exchange, the Banca Commerciale Italiana or the Association Tripartite Bourses or the Third Party makes a material change in the formula or the method of calculating any Index or a Successor Index, the Unit Agent shall make such calculations as may be required to determine any Settlement Amount using the formula and method of calculating the Index in effect immediately prior to such change.

(iv) Cessation of Calculation of Index

If, at any time, the London Stock Exchange, S&P, Sociedad de Bolsas, S.A., Frankfurt Stock Exchange, the Banca Commerciale Italiana or the Association Tripartite Bourses or the Third Party should cease calculation and dissemination of any Index, either temporarily or permanently, and should not provide a Successor Index, the Unit Agent shall, using the formula and method of calculating the relevant Index in effect as of the date the Index was last so calculated (subject to paragraph (iii) above), make such calculations as shall be required to determine any Settlement Amount.

(v) Unit Agent

The Unit Agent shall, as soon as reasonably practicable after receipt of any written request to do so, advise a Unitholder of its calculation, as at the date of receipt of such request, of the Settlement Amount as calculated by it if (i), (ii), (iii) or (iv) above shall apply.

4. Settlement Procedure

(a) Payment and Verification

Euroclear and/or as the case may be CEDEL shall notify the Unit Agent and Citibank, not later than 5.00 p.m. (Brussels or Luxembourg time, respectively) on the Business Day following the Settlement Date, of the account number to which the aggregate Settlement Amount is to be paid for the benefit of the Unitholder.

(b) Payment by Citibank

Subject to Condition 2 payment of the Settlement Amount will be made in sterling in respect of the FT-SE 100 CitiTrak Units, in US dollars in respect of the S&P 500 CitiTrak Units, in sterling in respect of the IBEX 35 CitiTrak Units, in deutschemarks in respect of the DAX CitiTrak Units, in Italian lire in respect of the BCI 30 Units, and in Swiss francs in respect of the SMI CitiTrak Units to the Unitholder's account outside the United States with Euroclear or CEDEL, as previously notified to Euroclear or CEDEL, for value on the Payment Date.

5. Unit Agent

The initial Unit Agent shall be Citibank International plc whose office is at 336 Strand, London WC2R 1LS.

Citibank reserves the right at any time to vary or terminate the appointment of the Unit Agent and to appoint further or additional Unit Agents, provided that it shall at all times maintain a Unit Agent having a specified office in a European city which, so long as the Units are listed on The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited, shall be London. Notice of any termination of appointment and of any change in the specified office of the Unit Agent and of any appointment of a Unit Agent will be given to the Unitholders in accordance with Condition 7. In acting under the Unit Agreement, the Unit Agent is acting solely as agent of Citibank and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Unitholders.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Units by Citibank and/or the Unit Agent shall (in the absence of manifest error or wilful misconduct) be binding on Citibank, the Unit Agent and/or the Unitholders, and (subject as aforesaid) no liability to the Unitholders (or any of them) shall attach to Citibank or the Unit Agent in connection with the exercise or non-exercise by either of them of their respective powers, duties and discretions for such purposes.

The Unit Agreement may be amended by the parties thereto without the consent of the Unitholders if, in the reasonable opinion of such parties, the amendment will not materially prejudice the interests of the Unitholders.

6. Taxes

Unitholders shall pay all stamp, documentary, securities transfer taxes and other taxes, duties and other charges, if any, payable in connection with the ownership, transfer or settlement of the Units held by them and the delivery of the proceeds as a result of such settlement.

7. Notices

All notices to Unitholders will be deemed to have been duly given if sent to Euroclear and CEDEL for transmission by Euroclear and CEDEL to Unitholders. Any such notices shall be conclusively presumed to have been received by Unitholders. So long as the Units are listed on the London Stock Exchange, all notices to Unitholders shall also be published, if so required by the rules of the London Stock Exchange, in a daily newspaper with general circulation in London (and which is expected to be the *Financial Times*).

8. Further Issues

Citibank shall be at liberty from time to time without the consent of the Unitholders to create and issue further Units on terms identical in all respects (or in all respects save for the Settlement and Payment Dates) so and ranking *pari passu* in all respects with the outstanding Units.

9. Purchase by Citibank

Citibank and any of its subsidiaries may at any time purchase Units in the open market or by tender to all Unitholders alike or by private agreement. Any Units so purchased may be held or resold or surrendered for cancellation.

10. Governing Law and Jurisdiction

The Units are governed by, and shall be construed in accordance with, English law. Citibank irrevocably agrees for the benefit of the Unitholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Units (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts. Citibank irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum. The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Unitholders or any person to take Proceedings against Citibank in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

USE OF PROCEEDS

Citibank intends to add the net proceeds from the sale of the Units to its general funds to be used for general purposes. If Citibank sells all of the Units, the estimated net proceeds from the sale of the Units would be approximately £411,832,684.34. However, Citibank may not sell all of the Units.

INFORMATION RELATING TO THE FT-SE 100 INDEX

FT-SE 100

The FT-SE (Financial Times-Stock Exchange) 100 Share Index (the "FT-SE 100 Index") which was introduced by The International Stock Exchange of the United Kingdom and the Republic of Ireland Ltd. (the "London Stock Exchange") on January 3, 1984 measures the price performance of its underlying shares, which generally consist of the shares of the 100 largest registered U.K. companies (the "Constituents") (ranked by market capitalisation) traded on the London Stock Exchange (the "Constituent Shares"). A company's market capitalisation is calculated by multiplying the number of equity shares in issue by the company's current share price. The Constituent Shares are among the most actively traded shares on the London Stock Exchange.

The value of the FT-SE 100 Index is calculated at any particular time by aggregating the market capitalisation of the Constituent Shares at that time and dividing by a base value (the "Base Value"). The Base Value was set to produce an Index level of 1000 at the close of business on December 30, 1983. The FT-SE 100 Index is currently updated every minute between 8.30 a.m. and 4.30 p.m., London time, on each business day.

The FT-SE 100 Index is a weighted arithmetic index. This means that a Constituent's share price is weighted by the issued share capital of the company so that a 5 per cent. price change in the 100th ranked Constituent has less effect on the Index than a 5 per cent. price change in the largest Constituent.

Each quarter, an Index Steering Sub Committee of the London Stock Exchange adds to and deletes Constituent from the FT-SE 100 Index based on the current market capitalisation. At the regular quarterly review, any Constituent which has fallen to 111th place or below will be deleted. Constituents which have fallen to below 101st place and 110th place inclusive, will be deleted only if it is necessary to do so in order to create a vacancy for a security which has risen to 90th place or better. Any company which has risen to 90th place or better will be inserted as a new Constituent of the Index. Non-Constituent companies which stand in places up to and including 91st place qualify for insertion to replace Constituents which have fallen to 111th place or below, and are selected for insertion, highest first if and as required.

The London Stock Exchange is under no obligation to continue the calculation and dissemination of the FT-SE 100 Index.

The FT-SE 100 CitiTrak Units are not in any way sponsored, endorsed, sold or promoted by the London Stock Exchange or by The Financial Times (the "FT") and neither the London Stock Exchange nor the FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FT-SE 100 Index or the figure at which the FT-SE 100 Index stands at any particular time on any particular day or otherwise). The FT-SE 100 Index is compiled and calculated solely by the London Stock Exchange. However, neither the London Stock Exchange nor the FT shall be liable (whether in negligence or otherwise) to any person for any error in the FT-SE 100 Index and neither the London Stock Exchange nor the FT shall be under any obligation to advise any person of any error therein.

INFORMATION RELATING TO THE STANDARD AND POOR'S 500 COMPOSITE STOCK PRICE INDEX

S&P 500

All disclosures contained in this Offering Circular regarding the Standard & Poor's 500 Composite Stock Price Index (the "S&P 500") including, without limitation, its make-up, method of calculation and changes in its components, are derived from publicly available information prepared by S&P, and Citibank, Citibank International PLC or Citibank AG have not independently verified any of such information.

General

The S&P 500 is published by Standard and Poor's ("S&P") and is intended to provide an indication of the pattern of common stock price movement. The calculation of the value of the S&P 500 (which is discussed below in further detail) is based on the relative value of the aggregate Market Value (as defined below) of the common stocks of 500 companies as compared to the aggregate average Market Value of the common stocks of 500 similar companies during the base period from 1941 through 1943. As of April 19, 1994, the 500 companies included in the S&P 500 represented 74 per cent. of the aggregate Market Value of common stocks traded on the New York Stock Exchange; however, the 500 companies are not the 500 largest companies listed on the New York Stock Exchange and not all 500 companies are listed on such exchange. S&P chooses companies for inclusion in the S&P 500 with the aim of achieving a distribution by broad industry grouping that approximates to the distribution of these groupings in the common stock population of the New York Stock Exchange, which S&P uses as an assumed model for the composition of the total market. Relevant criteria employed by S&P include: the viability of the particular company, the extent to which that company represents the industry group to which it is assigned, the extent to which the market price of its common stock is generally responsive to changes in the affairs of the respective industry and the Market Value and trading activity of the common stock of that company. S&P may from time to time, in its sole discretion, add companies to, or delete companies from, the S&P 500 to achieve the objectives stated above. As used herein, "Market Value" of a stock means the product of the market price per share thereof and the number of the then outstanding shares thereof.

Computation of the S&P 500

S&P currently computes the S&P 500 as of a particular time as follows:—

(1) the Market Value of each component stock is determined as of such time;

(2) the Market Value of all component stocks as of such time (as determined under clause (1) above) are aggregated;

(3) the mean average of the Market Value as of each week in the base period from 1941 through 1943 of the common stock of each company in a group of 500 similar companies is determined,

(4) the mean average Market Values of all such common stock over such base period (as determined under clause (3) above) are aggregated (such aggregate amount, as adjusted by S&P from time to time in the manner described below, being hereinafter referred to as the "S&P Base Value");

(5) the aggregate Market Value of all component stocks as of such time (as determined under clause (2) above) is divided by the S&P Base Value; and

(6) the resulting quotient (expressed in decimals) is multiplied by ten.

While S&P currently employs this methodology to calculate the S&P 500, no assurance can be given that S&P will not modify or change such methodology in a manner that may affect any additional amounts which may be payable to Notes.

S&P adjusts the foregoing formula to negate the effect of changes in the Market Value of a component stock determined by S&P to be arbitrary or not true market fluctuations. These changes may result from such causes as the issuance of stock dividends, stock splits, the granting to shareholders of rights to purchase additional shares of such stock, the purchase of such stock by employees pursuant to employee benefit plans, certain consolidations and acquisitions, the granting to shareholders of rights to purchase other securities of the company, the substitution by S&P of particular component stocks in the S&P 500 and other reasons. In all such cases, S&P first recalculates the aggregate Market Value of all component stocks (after taking account of the new market price per share of the particular component stock or the new number of outstanding shares thereof or both, as the case may be) and then adjusts the S&P Base Value in accordance with the following formula:—

$$\text{Old S\&P Base Value} \times \frac{\text{New Market Value}}{\text{Old Market Value}} = \text{New S\&P Base Value}$$

The result is that the S&P Base Value will be adjusted in proportion to any change in the aggregate Market Value of all component stocks resulting from the causes cited above to the extent necessary to negate the effects of such causes upon the S&P 500.

The S&P 500 CitiTrak Units are not sponsored, endorsed, sold or promoted by S&P. S&P makes no representation or warranty, express or implied, to the owners of the S&P 500 CitiTrak Units or any member of the public regarding the advisability of investing in securities generally or in the S&P 500 CitiTrak Units particularly or the ability of the S&P 500 Index to track general stock market performance. S&P's only relationship to the S&P 500 CitiTrak Units is the licensing of certain trade marks and trade names of S&P and of the S&P 500 Index which is determined, composed and calculated by S&P without regard to the S&P 500 CitiTrak Units. S&P has no obligation to take the needs of the owners of the S&P 500 CitiTrak Units into consideration in determining, composing or calculating the S&P 500 Index. S&P is not responsible for and has not participated in the determination of the timing of, prices of, or quantities of the S&P 500 CitiTrak Units to be issue or in the determination or calculation of the cash settlement amount payable in respect of the S&P 500 CitiTrak Units. S&P has no obligation or liability in connection with the administration, marketing or trading of the S&P 500 CitiTrak Units.

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INFORMATION RELATING TO THE IBEX 35 INDEX

The IBEX 35 Index is an Index weighted by capitalisation, composed of 35 of the most liquid companies traded on the continuous market of the four Spanish Stock Markets. The IBEX 35 Index is calculated and published throughout the period in which operations can be made on the continuous market of the Spanish Stock Markets: from 11.00 a.m. to 5.00 p.m. The official value of the IBEX 35 Index evolves continuously every working day as a result of the successive price changes of the securities that make up the Index during Stock Market trading sessions: the "official value of the IBEX 35 Index" is the value calculated using the latest prices of those securities at any given moment.

Sociedad de Bolsas, S.A., which is the administrative entity for the Stock Market Interconnection System between the four existing Spanish Stock Exchanges published and maintains the IBEX 35 Index. The definition and supervision of the IBEX 35 Index is entrusted to a Committee of Experts who supervise the application of the guidelines used to calculate the IBEX 35 Index.

The Index is calculated by reference to a publicly available formula.

INFORMATION RELATING TO THE DAX INDEX

DAX

The DAX is the Deutscher Aktienindex calculated and published by the Frankfurter Wertpapierbörse AG (the "Frankfurt Stock Exchange") during the trading hours of the Frankfurt Stock Exchange. It is based on thirty selected stocks listed on the Frankfurt Stock Exchange.

The Dax Index is currently recalculated every minute between 10.30 a.m. and 1.30 p.m. Frankfurt time.

Component Stocks (as at March 3, 1994)

Allianz	2654
BASF	319.5
Bayer	379
Bay. Hyp.u. W.-Bank	463
BMW	824
Bayer. Vereinsbank	491.5
Commerzbank	357.5
Continental	291.8
Daimler-Benz	886.8
Degussa	526
Deutsche Babcock	279.3
Deutsche Bank	795.5
Dresdner Bank	402
Henkel	639.5
Hoechst	329.1
Karstadt	569
Kaufhof	492
Linde	877
Lufthansa	203.5
MAN	436.5
Mannesmann	419.3
Metallgesellschaft	196.5
Preussag	465.5
RWE	446.5
Schering	1049
Siemens	696
Thyssen	269.4
VEBA	490
VIAG	445.5
Volkswagen	499.3

The figure against each component stock represents that stock's weighting factor in relation to the DAX. The component stocks and each stock's weighting factor may be changed from time to time.

DAX is a registered trademark of the Deutsche Börse AG.

INFORMATION RELATING TO THE "BCI 30" INDEX

General

The information contained herein on the "BCI 30" Index is derived from materials published by BCI. Such information reflects the policies of BCI as stated in such sources and such policies are subject to change at the discretion of BCI.

The "BCI 30" Index is a stock exchange index calculated throughout the day by the Financial Analysis Unit of BCI. The "BCI 30" Index summarises the prices of thirty Italian shares quoted on the Milan stock exchange or traded on the Telematic Market (the "Constituent Shares"). The "BCI 30" Index was first published in May 1993 and is reported through Reuters page BCIJ and the main Italian financial newspapers *Il Sole-24 Ore* and *Milano Finanza*.

Computation of the "BCI 30" Index

The value of the "BCI 30" Index is calculated by multiplying the overall capitalisation of the Constituent Shares, expressed in millions of Italian lire, by a multiplier which is presently equal to 0,0000008883. The Constituent Shares, the numbers of such shares and the multiplier are subject to change. The Constituent Shares included in the "BCI 30" Index are selected at the outset of the calendar year, using the following data calculated for each listed share:

ADVol (Average Daily Volume): the nominal volume of trades in the security carried out on the exchange during the entire preceding calendar year, divided by the number of days on which the share was listed.

ADCap (Average Daily Capitalisation): the sum of daily market capitalisations realised by the security throughout the preceding calendar year, divided by the number of days on which the security was listed.

ILC (Indicator of Liquidity and Capitalisation): ADCap + A ADVol in which A indicates the average daily ratio between (a) capitalisation and (b) the volume of trades realised in the entire market during the preceding calendar year. The definition of ILC aims at equally weighing liquidity (identified with the volume of trades) and capitalisation.

At this point the following securities are excluded from participation in the "BCI 30" Index:

(i) multiple categories issued by the same company, with the exception of that with the highest ILC;

(ii) those whose ratio between ADVol and ADCap does not exceed a very low threshold (0,01%) denoting liquidity of the share;

(iii) those for which reasonable certainty exists that their liquidity and/or capitalisation will be lost during the current year (e.g. due to outstanding tender offers, mergers etc);

(iv) those first quoted after 1 November of the previous year.

The remaining shares are ranked in decreasing order of ILC and the first thirty constitute the "BCI 30". The next shares, also ordered by ILC, are kept as reserves.

The procedure which has just been outlined defines the "normal" rotation of securities. Obviously, exceptional events can occur (such as the delisting of a security) which would mandate removing a security from the "BCI 30" Index. In such an event, the security being withdrawn is substituted by the top ranking replacement security. With the turnover of securities either for normal reasons (i.e. every 1 January) or for exceptional ones, the index is appropriately changed so as to ensure its continuity.

Italian listed shares are basically of three types: ordinary, preference and savings (non-voting). The "BCI 30" Index may include only one category of shares for a company, which would be those of the highest ILC. This insulates the "BCI 30" Index from instances of instability due to facts relating to one issuing company.

In 1994 the shares included in the "BCI 30" Index were the following:

Alleanza ord.	Fiat ord.	Pirelli S.p.A. ord.
Ambroveneto ord.	Fondiaria S.p.A.	Ras ord.
Assitalia	Gemina ord.	Rinascente ord.
Banca di Roma	Generali	Sai ord.
Benetton	Ifi priv.	San Paolo
Cir ord.	Italcementi ord.	Sip ord.
Comit ord.	Italgas	Sirti
Credit ord.	Mediobanca	Sme
Edison ord.	Montedison ord.	Stet ord.
Perfin ord.	Olivetti ord.	Toro ord.

The "BCI 30" mark belongs to BCI and BCI accepts no responsibility for the Warrants, the Constituent Shares or the result of any calculation of return based on the "BCI 30" Index. The use of and reference to the "BCI 30" Index by the Company and the Manager in connection with the Warrants has been approved by BCI. The Company, the Manager and BCI will enter into a licensing agreement relating to the utilisation of the "BCI 30" Index.

Neither the Company nor the Manager accepts responsibility for the computation, maintenance or publication of the "BCI 30" Index nor for the performance of the Constituent Shares.

INFORMATION RELATING TO THE SMI

The Swiss Market Index is a stock index composed of 22 stocks traded on the Basel, Geneva and Zürich stock exchanges. The movements of SMI is closely correlated to the movement of the markets as a whole.

The SMI is sponsored by ATB which has nominated a group of experts as "Index Commission". ATB has made arrangements with ECOFIN, Forschungs- und Beratungs-AG, Zürich, and TELEKURS AG, Zürich (technical assistance)

The SMI is a capitalization-weighted index. The market capitalization of the stock corresponds to the number of shares outstanding for the stock multiplied by the current stock price. To determine the total market value of the Index, the capitalization of all 22 shares are added. The total market value divided by a base number (index divisor) results in the final index value. This method gives greater weight to the price movements of stocks with larger market capitalization values.

The base number is used to ensure that the index level will not change as a result of a capital adjustment on one of the stocks in the Index. For example, if one of the index stocks undergoes a capital increase, the base number will be adjusted to reflect this capitalization change.

The value of the Index is recalculated and disseminated on real-time basis each time a price for one of the stocks in the index changes on the Basel, Geneva or Zürich stock exchanges. If no price is reported for a specific stock on the relevant day, the price of such stock on the last preceding trading day is considered for the calculation of the Index.

The Index is calculated by applying the Laspeyre-formula:

$$Is = I(t-1) \cdot f(t-1).s$$

$$f(t-1).s = \frac{\sum_{i=1}^{22} Pi, s \cdot Xi.(t-1)}{\sum_{i=1}^{22} Pi, (t-1) \cdot Xi.(t-1)}$$

Is = current Index level
I(t–1) = Index level at the end of the preceding trading day
f(t–1), s = compensation factor (current Index level, Index level at the end of the preceding trading day)
Pi, s = last received price of stock
Xi, (t–1) = amount of securities outstanding of stock at the end of the preceding trading day
Pi, (t–1) = price of stock at the end of the preceding trading day

The number of effectively outstanding securities of each stock only is considered for the calculation of the Index.

Neither ATB nor TELEKURS AG nor any of their agents or commissions assume any responsibility for the accuracy of the stock prices transmitted by the relevant stock exchanges.

As from January 1, 1994 all duties of ATB have been assumed by the "Schweizer Effektenbörse (SEB)".

Stocks included in the Swiss Market Index

The SMI is currently based on 22 shares or participation certificates of 17 Swiss companies (as per January 1, 1994):

Union Bank of Switzerland	bearer shares
Swiss Bank Corporation	bearer shares
Swiss Bank Corporation	registered shares
CS Holding	bearer shares
CS Holding	registered shares
BBC Brown Boveri Ltd.	bearer shares
Ciba-Geigy Ltd.	bearer shares
Ciba-Geigy Ltd.	registered shares
Nestlé Ltd.	registered shares
Sandoz Ltd.	participation certificates
Sandoz Ltd.	registered shares
Swiss Re-Insurance	registered shares
Winterthur Insurance	registered shares
Zürich Insurance	bearer shares
Zürich Insurance	registered shares
Elektrowatt Ltd.	bearer shares
"Holderbank" Financière Glarus Ltd.	bearer shares
Alusuisse-Lonza Ltd.	registered shares
SMH	registered shares
Sulzer	bearer shares
Surveillance	bearer shares
Roche Holding	dividend-right certificate

As per July 1, 1994 the following new shares will be included in the SMI:

Union Bank of Switzerland	registered shares
SMH	bearer shares

CITIBANK, N.A.

Citibank was originally organized on June 16, 1812, and now is a national banking association organized under the National Bank Act of 1864 of the United States of America. Citibank is a wholly-owned subsidiary of Citicorp (a Delaware corporation) and is Citicorp's principal subsidiary. As of March 31, 1994, the total assets of Citibank and its consolidated subsidiaries represented approximately 80 per cent. of the total assets of Citicorp and its consolidated subsidiaries. Citibank is a commercial bank offering a wide range of banking and trust services to its customers in the New York City metropolitan area and, through its subsidiaries and affiliates, in various parts of the United States and around the world.

As a national bank, Citibank is a regulated entity permitted to engage only in banking and activities incidental to banking. Citibank's earnings may be affected by certain monetary and fiscal policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). Citibank is primarily regulated by the Office of the Comptroller of the Currency, which also examines its loan portfolios and reviews the sufficiency of its allowance for credit losses. Bank regulatory agencies may prohibit the payment of dividends by a bank or a bank holding company if the applicable agency determines that the financial condition of the institution is such that payment of a dividend would be an unsafe or unsound banking practice. Further, the Comptroller of the Currency's approval is required prior to payment of any dividend by a national bank if the total of all dividends declared by the bank in any calendar year would exceed the aggregate of the bank's net profits, as defined by regulatory agencies, for that year and its retained net profits for the two preceding years.

Citibank's deposits at its U.S. branches are insured by the Federal Deposit Insurance Corporation ("FDIC") and are subject to FDIC insurance assessments. A FDIC-insured depository institution sharing common ownership with a failed institution can be required to indemnify the FDIC for its losses resulting from the insolvency of the failed institution, even if such indemnification causes the affiliated institution also to become insolvent. As a result, Citibank may, under certain circumstances, be obligated for the liabilities of its affiliates that are FDIC-insured institutions.

The Comptroller of the Currency has issued guidelines that impose upon national banks risk-based capital and leverage standards. The risk-based capital ratio guidelines are based on an international agreement developed by the Basle Committee on Banking Regulations and Supervisory Practices, which consists of representatives of central banks and supervisory authorities in 12 countries, including the United States and the United Kingdom. The guidelines establish a systematic analytical framework that makes regulatory capital requirements more sensitive to differences in credit risk profiles among banking organizations, takes off-balance sheet exposures into explicit account in assessing capital adequacy and minimizes disincentives to holding liquid, low-risked assets. This risk-based ratio is determined by allocating assets and specified off-balance sheet commitments into four weighted categories, with higher levels of capital being required for the categories perceived as representing greater risk.

Under these guidelines, a bank's capital is divided into two tiers. The first tier includes common equity, non-cumulative perpetual preferred stock, cumulative preferred stock up to a certain threshold (excluding auction rate issues) and minority interests that are held by others in a bank's consolidated subsidiaries, less certain intangible assets. Supplementary (Tier 2) capital includes, among other items, cumulative preferred stock to the extent that it exceeds the Tier 1 threshold and limited-life preferred stock, mandatory convertible securities, subordinated debt and the allowance for credit losses, subject to certain limitations.

Since December 31, 1992, national banks have been required to maintain a risk-based ratio of 8 per cent. of which half must be Tier 1 capital. The Comptroller of the Currency (the "Comptroller") may, however, set higher capital requirements when a bank's particular circumstances warrant.

As of March 31, 1994, under current guidelines Citibank's risk-based ratio was 11.06 per cent., consisting of 6.94 per cent. Tier 1 capital.

The Comptroller has also established a separate leverage ratio standard. For this purpose, the Tier 1 leverage ratio is defined as Tier 1 capital, computed under the risk-based capital guidelines, divided by average total assets adjusted for goodwill and certain other items. The Comptroller established a 3 per cent. minimum Tier 1 leverage ratio applicable only to banks meeting certain specified criteria, including excellent asset quality, high liquidity, low interest rate exposure and the highest regulatory rating. Institutions not meeting these criteria, along with those experiencing or anticipating significant goodwill, are expected to maintain a ratio which exceeds the 3 per cent. minimum by at least 100 to 200 basis points. As of March 31, 1994, Citibank's leverage ratio was 5.71 per cent.

Failure to meet applicable capital guidelines could subject a national bank to a variety of enforcement remedies available to the federal regulatory authorities, including limitations on the ability to pay dividends, the issuance by the Comptroller of the Currency of a capital directive to increase capital and the termination of deposit insurance by the FDIC.

In 1991, the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) was enacted, which, among other things, was intended to protect the federal deposit insurance fund by requiring regulators to take specific prompt actions with respect to institutions that do not meet minimum capital standards. FDICIA establishes five capital tiers: "well capitalized", "adequately capitalized", "undercapitalized", "significantly undercapitalized" and "critically undercapitalized". An undercapitalized institution is prohibited from making capital distributions and may be required to submit a capital plan, restrict asset growth and limit new lines of business. Holding companies are also required to guarantee compliance by their insured depository institutions with any capital plans, subject to certain limits. If a depository institution fails to submit a required capital plan that is acceptable to its federal bank agency, it is treated as if it is significantly undercapitalized.

Significantly undercapitalized depository institutions may be subject to a number of requirements and restrictions, including orders to sell sufficient voting stock to become adequately capitalized, requirements to reduce total assets, and cessation of receipt of deposits from correspondent banks. Critically undercapitalized institutions are subject to appointment of a receiver or conservator.

Pursuant to FDICIA, the federal regulatory agencies adopted regulations defining the five capital tiers. Under these regulations, a "well capitalized" institution must have a Tier 1 capital ratio of at least 6 per cent., a combined Tier 1 and Tier 2 capital ratio of at least 10 per cent., and a leverage ratio of at least 5 per cent. and not be subject to a directive, order or written agreement to meet and maintain specific capital levels. An "adequately capitalized" institution must have a Tier 1 capital ratio of at least 4 per cent., a combined Tier 1 and Tier 2 capital ratio of at least 8 per cent., and a leverage ratio of at least 4 per cent., or 3 per cent. in some cases. As of March 31, 1993, Citicorp's bank and thrift subsidiaries, including Citibank, meet "well capitalized" standards. In addition, under the regulations, the regulators can downgrade the capital status of a depository institution under certain circumstances.

FDICIA imposed specified accounting and reporting requirements and risk-based assessments for FDIC insurance. Effective January 1, 1993, the FDIC adopted a risk based assessment system under which the assessment rate for an insured depository institution varies according to the level of risk incurred in its activities. Other rules adopted pursuant to FDICIA include: (1) real estate lending standards for depository institutions, which provide guidelines concerning loan-to-value ratios for various types of real estate loans; (2) rules requiring depository institutions to develop and implement internal procedures to evaluate and control credit and settlement exposure to their correspondent banks, (3) rules implementing the FDICIA provision prohibiting, with certain exceptions, insured state banks from making equity investments or engaging in activities of the types and amounts not permissible for national banks; and (4) rules and guidelines for enhanced financial reporting and audit requirements. Rules currently proposed for adoption pursuant to FDICIA include: (1) revisions to the risk-based capital guidelines regarding interest rate risk, concentrations of credit risk and the risks posed by "non-traditional activities", and (2) rules addressing various "safety and soundness" issues, including operations and managerial standards, standards for asset quality, earnings and stock valuations, and compensation standards.

Legislation enacted as part of the Omnibus Budget Reconciliation Act of 1993 provides that deposits in U.S. offices and certain claims for administrative expenses and employee compensation against a U.S. insured depository institution which has failed will be afforded a priority over other general unsecured claims, including deposits in non-U.S. offices and claims under non-depository contracts in all offices, against such an institution in the "liquidation or other resolution" of such an institution by any receiver. Such priority creditors (including the FDIC, as the subrogee of insured depositors) of such institution will be entitled to priority over unsecured creditors in the event of a "liquidation or other resolution" of such institution, including the Unit holders.

The following table, extracted from the Annual Report and Form 10-K of Citicorp and its subsidiaries for the year ended December 31, 1993 (the "1993 10-K") and the Financial Review and Form 10-Q for the quarter ended March 31, 1994 (the "March 1994 10-Q"), sets fourth certain data relative to the consolidated financial position of Citibank and its subsidiaries as of March 31, 1994 and December 31, 1993, respectively:

	As of March 31, (unaudited) 1994	*As of December 31, 1993[a]*
	(In millions)	*(In millions)*
Assets		
Cash and Due From Banks	$ 4,663	$ 4,005
Deposits at Interest with Banks	7,339	7,137
Securities[b]		
Held to Maturity	3,923	2,927
Available for Sale	8,701	7,670
Venture Capital	903	842
Trading Account Assets[c]	38,412	20,786
Federal Funds Sold and Securities Purchased Under Resale Agreements	6,457	4,392
Loans, Net of Unearned Income[a]	108,889	109,459
Allowance for Credit Losses	(3,578)	(3,471)
Loans, Net	$105,311	$105,988
Customers' Acceptance Liability	1,368	1,512
Premises and Equipment, Net	3,039	2,973
Interest and Fees Receivable	1,877	1,803
Other Assets	9,894	9,107
Total	$191,887	$169,142
Liabilities		
Non-Interest-Bearing Deposits in U.S. Offices	$ 11,041	$ 10,207
Interest-Bearing Deposits in U.S. Offices	23,093	23,077
Non-Interest-Bearing Deposits in Offices Outside the U.S.	6,855	6,439
Interest-Bearing Deposits in Offices Outside the U.S.	88,762	83,239
Total Deposits	$129,751	$122,962
Trading Account Liabilities[c]	21,074	4,509
Purchased Funds and Other Borrowings	11,059	11,742
Acceptances Outstanding	1,386	1,530
Accrued Taxes and Other Expenses	3,929	3,740
Other Liabilities	5,226	5,722
Long-Term Debt	3,088	3,089
Subordinated Notes	4,700	4,700
Stockholder's Equity		
Capital Stock ($20.00 par value)	$ 751	$ 751
Outstanding Shares: 37,534,553 in each period		
Surplus	5,928	5,912
Retained Earnings	5,452	5,146
Net Unrealized Gains — Securities Available for Sale[b]	191	—
Foreign Currency Translation	(648)	(661)
Total Stockholder's Equity	$ 11,674	$ 11,148
Total	$191,887	$169,142

[a] Reclassified to conform to latest quarter's presentation

[b] Balances at March 31, 1994 reflect the effect of adopting SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," including the reclassification of "Brady Bonds" from Commercial Loans to Held to Maturity and Available for Sale Securities

[c] Trading Account Assets and Trading Account Liabilities at March 31, 1994 include approximately $14.7 billion pursuant to the adoption of FASB Interpretation No. 39, "Offsetting of Amounts Related to Certain Contracts," effective January 1, 1994.

The obligations of Citibank, N.A., London Branch under the Units will not be guaranteed by Citicorp.

The Consolidated Balance Sheets of Citibank as of December 31, 1993 and as of December 31, 1992 are set forth on page 59 of the 1993 10-K, and as of March 31, 1994 and December 31, 1993 on page 43 of the March 1994 10-Q. Consolidated Balance Sheets of Citibank subsequent to March 31, 1994 will be included in the Form 10-Q's (quarterly) and Form 10-K's (annually) subsequently filed by Citicorp with the United States Securities and Exchange Commission (the "SEC"), which will be filed not later than 45 days after the end of the calendar quarter or 90 days after the end of the calendar year to which the report relates. For further information regarding Citibank, reference is made to the March 1994 10-Q and to any subsequent reports on Forms 10-K, 10-Q or 8-K filed by Citicorp with the SEC, which are incorporated herein by reference. All such reports are available from Citibank, N.A., London branch and the Unit Agents. See "Incorporation of Certain Documents by Reference".

In addition, Citibank submits quarterly to the Office of the Comptroller of the Currency certain reports called "Consolidated Reports of Condition and Income for A Bank With Domestic and Foreign Offices" ("Call Reports"). The Call Reports are on file with, and publicly available at, the Office of the Comptroller of the Currency, 250 E Street, Washington, D.C. 20219. Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules as of the end of the period to which the report relates. The Call Reports were prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. Because of the special supervisory, regulatory and economic policy needs served by these Call Reports, those regulatory instructions do not in all cases follow generally accepted accounting principles or the opinions and statements of the Accounting Principles Board or the Financial Accounting Standards Board. While the Call Reports are supervisory and regulatory documents, *not* primarily accounting documents, and do not provide a complete range of financial disclosure about Citibank, the reports nevertheless provide important information concerning the financial condition of Citibank. Citibank's Call Report as of the Close of Business on December 31, 1993 is incorporated herein by reference. Any subsequent Call Reports filed by Citibank with the Comptroller are incorporated herein by reference.

Stockholder's Equity of Citibank, N.A.

Authorized capital stock of Citibank was 40 million shares at December 31, 1993 and 1992.

Changes in Stockholder's Equity

	1993	*1992*	*1991*
	(in millions of dollars)		
Balance at Beginning of Year	$ 9,047	$ 7,945	$ 8,263
Additions			
Net Income (Loss)	$ 1,564	$ 22	$ (470)
Contributions from Parent Company	602	1,188	54
Other Net Additions	40	12	48
	$ 2,206	$ 1,222	$ (368)
Deductions			
Foreign Currency Translation	$ 110	$ 158	$ 49
Net Write-off (Amortization) of Intangibles Associated with Acquisition and Disposition of Subsidiaries and Affiliates	(5)	(38)	(99)
	$ 105	$ 120	$ (50)
Balances at End of Year	$11,148	$ 9,047	$ 7,945

The contributions from Citicorp were primarily in the form of cash in 1993 and were in the form of cash and the shares of a subsidiary in 1992.

Citibank's net loss for 1991 reflected restructuring charges offset by its share of the cumulative effect of the accounting change for investments held by its venture capital subsidiaries. During 1991, Citibank sold a venture capital subsidiary to Citicorp at fair value.

Citibank charges retained earnings with the amount of goodwill associated with investments by Citibank in subsidiaries and affiliates to the extent that the investment exceeded the fair market value of identifiable net assets at the time of acquisition. In accordance with generally accepted accounting principles, such charges are not reflected in the Citicorp financial statements, and the related amounts, net of amortization, aggregating $110 million, $121 million, and $171 million, at December 31, 1993, 1992, and 1991, respectively, are included in other assets in the Citicorp consolidated balance sheet. Citicorp's equity investment in Citibank amounted to $11,258 million, $9,168 million, and $8,116 million at December 31, 1993, 1992, and 1991, respectively.

Capitalisation

The following tables set forth the consolidated capitalisation of Citibank and its subsidiaries as of March 31, 1994 and December 31, 1993, respectively:

	As of March 31, (unaudited) 1994	*As of December 31, (unaudited) 1993*
	(in millions)	
Long-Term Debt	3,088	$3,089
Subordinated Notes	4,700	4,700
Stockholder's Equity:		
Capital Stock ($20.00 par value)		
Authorised Shares 40,000,000		
Outstanding Shares 37,534,553 in each period	$751	$751
Surplus	5,928	5,912
Retained Earnings	5,452	5,146
Net Unrealized Gains — Securities Available for Sale	191	—
Foreign Currency Translation	(648)	(661)
Total Stockholder's Equity	$11,674	$11,148
Total	19,462	$18,937

Note: The consolidated capitalisation of Citibank will not be effected by the issuance of the Units offered hereby, and there has been no material change in the consolidated capitalisation of Citibank since March 31, 1994.

Directors

The Directors of Citibank are:—

Directors	*Occupation*	*Residence or Business Address*
D. Wayne Calloway	Chairman and Chief Executive Officer — PepsiCo, Inc.	PepsiCo, Inc. Purchase, New York 10577
Pei-yuan Chia	Vice Chairman — Citicorp and Citibank, N.A.	399 Park Avenue, 2nd Floor, New York, New York 10043
Paul J. Collins	Vice Chairman — Citicorp and Citibank, N.A.	399 Park Avenue, 2nd Floor, New York, New York 10043
H. J. Haynes	Director and Senior Counselor — Bechtel Group, Inc.	555 Market Street, Room 1624, San Francisco, California 94105
John S. Reed	Chairman — Citicorp and Citibank, N.A.	399 Park Avenue, 2nd Floor, New York, New York 10043
William R. Rhodes	Vice Chairman — Citicorp and Citibank, N.A.	399 Park Avenue, 2nd Floor, New York, New York 10043
Rozanne L. Ridgway	Co-Chair — The Atlantic Council of the United States	1616 H Street, N.W., 3rd Floor, Washington, D.C. 20006
Frank A. Shrontz	Chairman and Chief Executive Officer — The Boeing Company	P.O. Box 3707, Mail Stop 10-21 Seattle, Washington 98124-2207
Christopher J. Steffen	Senior Executive Vice President — Citicorp and Citibank, N.A.	399 Park Avenue, 2nd Floor New York, New York 10043
Franklin A. Thomas	President — The Ford Foundation	320 East 43rd Street, 10th Floor, New York, New York 10017

PURCHASE AND SELLING RESTRICTIONS

Citibank has, pursuant to the Unit Purchase Agreement, dated May 20 1994, agreed to sell to CIP, Citibank AG and Citibank (Switzerland) (together referred to as the "Purchasers"), and the Purchasers have agreed to purchase, the Units at prices to be agreed by Citibank and the Purchasers from time to time and otherwise upon the terms and subject to the conditions therein set out.

Units not initially purchased by the Purchasers will be held by or on behalf of Citibank and may be sold to any of the Purchasers at such prices as such Purchaser and Citibank may agree. Such sales may affect the liquidity and prices of the other Units in the secondary market.

The Units have not been and will not be registered under the Securities Act. The Units are not being and may not at any time be offered, sold or delivered directly or indirectly in the United States or to, or for the account or benefit of, any U.S. person or to any person who purchases Units for resale to U.S. persons.

Each Purchaser represents that it has not offered, sold or delivered, and agrees that it will not at any time offer, sell or deliver, any Units, whether acquired in connection with the distribution contemplated hereby or otherwise, directly or indirectly, in the United States or to or with any US person. Each Purchaser also represents that it has not, directly or indirectly, offered, sold or delivered any Units to U.S. persons, and agrees that it will not at any time, directly or indirectly, offer, sell or deliver any Units to U.S. persons, whether such Units have been or are acquired in connection with the distribution contemplated hereby or otherwise. Each Purchaser further represents that it is not acquiring, and it agrees that it will not acquire, any of such Units for the account of any U.S. person.

Each Purchaser further agrees that it will deliver to each purchaser from it of Units a written confirmation reading substantially as follows:

> "The Units have not been registered under the United States Securities Act of 1933 as amended (the "Securities Act"). By your purchase and acceptance of the Units hereby sold to you, you represent that you are not a U.S. person and agree that, should you become a U.S. person at any time, you will dispose of such Units prior to such time; you also represent that you have not offered, sold or delivered, and agree that you will not (as principal or agent) offer, sell or deliver at any time, any of the Units hereby sold to you or any other Units, however acquired, directly or indirectly, in the United States; you further represent (i) that you have not, directly or indirectly, offered, sold or delivered any of such Units to U.S. persons, and agree that you will not at any time (as principal or agent), directly or indirectly, offer, sell or deliver any of such Units to U.S. persons, and (ii) that you are not purchasing any of such Units for the account of any U.S. person; and you agree that you will deliver to each purchaser from you of any of such Units a written confirmation in the form hereof together with the definitions set out in the next sentence whereby such purchaser, by its purchase and acceptance of the Units, represents and agrees to the effects set forth herein.
>
> As used herein, the term "United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and the term "U.S. person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source or any other person or entity falling within the definition of the term U.S. person under Regulation S promulgated under the Securities Act."

The Purchasers have warranted that they have not offered or sold and will not offer or sell in the United Kingdom, by means of any document, any Units prior to application for listing of the Units being made in accordance with Part IV of the Financial Services Act 1986 other than to persons whose ordinary business it is to buy or sell shares or debentures, whether as principal or agent or in circumstances which do not constitute an offer to the public within the meaning of the Companies Act 1985.

Further, the Purchasers have warranted and agreed that they have complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by them in relation to the Units in, from or otherwise involving the United Kingdom. Furthermore, the Purchasers have warranted and agree that they have only issued or passed on, and will only issue or pass on, in the United Kingdom any document received by them in connection with the issue of the Units to a person who is of a kind described in Article 9(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1988 (as amended) or is a person to whom the document may otherwise lawfully be issued or passed on.

In the Federal Republic of Germany, the securities offered in this Offering Circular can be acquired only in lots for a purchase price of at least DM80,000 per investor.

The securities offered in this Offering Circular may not be offered by investors in full or in part in the Federal Republic of Germany to any third party.

TAXATION

United Kingdom Taxation

The comments below are of a general nature and are based on current United Kingdom law and Inland Revenue practice. The comments relate to the position of persons (other than dealers) who are the absolute beneficial owners of their Units. Prospective holders of the Units who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek independent advice.

1. Where a Unit is held in connection with a trade carried on by the Unitholder, the cost of acquiring such Unit and the profit or loss on its sale or settlement will generally be brought into account in the computation of the trading profits of the Unitholder for United Kingdom tax purposes if the Unitholder is resident in the United Kingdom or if the trade is being exercised through a branch or agency in the United Kingdom. Relief from United Kingdom taxation of trading profits may be available if the Unitholder is resident in a jurisdiction which has entered into an appropriate double taxation treaty with the United Kingdom.

2. Any gain or loss arising, otherwise than as a profit or loss of a trade, on the sale or settlement of Units held by a Unitholder who is resident or ordinarily resident in the United Kingdom for United Kingdom tax purposes or, in certain cases, is carrying on a trade in the United Kingdom through a branch or agency, is expected to give rise to a chargeable gain or allowable loss for the purposes of the taxation of capital gains in the United Kingdom. Provisions contained in section 46 of the Taxation of Chargeable Gains Act 1992 (which can restrict the allowable expenditure taken into account in the computation of a chargeable gain or allowable loss for such purposes in respect of wasting assets as defined) should not apply to the Units. Accordingly, indexation allowance should be available on the full base cost of the Units.

3. No United Kingdom stamp duty or stamp duty reserve tax will be payable on the issue of Units. No United Kingdom stamp duty should be payable on transfers of Units in accordance with the mode of transfer described above under "Description of the Units – Form and Transfer". A written transfer on sale of a Unit may not be admissible in proceedings in a United Kingdom court or otherwise relied upon in the United Kingdom unless it has been duly stamped with United Kingdom stamp duty at the rate of ½ per cent. of the amount or value of the consideration for the sale.

GENERAL INFORMATION

1. The Units have been accepted for clearance through CEDEL and Euroclear with the following reference numbers:—

	CEDEL/Euroclear
FT-SE 100 CitiTrak Units	5063396
S&P 500 CitiTrak Units	5063752
IBEX 35 CitiTrak Units	5063345
DAX CitiTrak Units	5063515
BCI 30 CitiTrak Units	5063302
SMI CitiTrak Units	5063493

2. The issue and sale of the Units by Citibank have been duly authorised by all necessary corporate action of Citibank.

3. There has been no significant change in the financial or trading position of Citibank or of Citibank and its subsidiaries since March 31, 1994 and no material adverse change in the financial position or prospects of Citibank or of Citibank and its subsidiaries since December 31, 1993.

4. Neither Citibank nor any of its subsidiaries is involved in any litigation or arbitration proceedings which may have, or have had during the 12 months preceding the date of this document, a significant effect on the financial position of Citibank or of Citibank and its subsidiaries, nor is Citibank aware of any such proceedings pending or threatened.

5. CIP, Citibank AG, and Citibank are all wholly-owned indirect subsidiaries of Citicorp.

6. Copies of the following documents may be inspected at the London branch of Citibank during usual business hours on any weekday (Saturdays and public holidays excepted) for 14 days from the date of this document:—

(i) Memorandum and Articles of Association and By-laws of Citibank;

(ii) the annual accounts of Citibank, as extracted from the audited annual accounts of Citicorp and its subsidiaries, for December 31, 1992 and December 31, 1993 and the Financial Review and Form 10-Q for the quarter ended March 31, 1994; and

(iii) conformed copy of the Unit Agreement which includes the form of the Global Units.

7. Copies of the Articles of Association and By-laws and of the latest annual and interim reports and accounts of Citicorp (which contain information relating to Citibank) may be obtained and copies of the Unit Agreement will be available for inspection, at the specified offices of the Unit Agent during normal business hours, so long as any of the Units are outstanding.

8. The listing of the Units on the London Stock Exchange will be expressed in sterling as a price per FT-SE 100 CitiTrak Unit, in U.S. dollars as a price per S&P 500 CitiTrak Unit, in sterling as a price per IBEX 35 CitiTrak Unit, in deutschemarks as a price per DAX CitiTrak Unit, in Italian Lire as a price per BCI 30 CitiTrak Unit and in Swiss Francs as a price per SMI CitiTrak Unit. It is expected that listing of the Units on the London Stock Exchange will be granted on or before May 25, 1994 subject only to the issue of Global Units.

9. KPMG Peat Marwick of 345 Park Avenue, New York, New York 10154, Certified Public Accountants, has audited the accounts of Citicorp and its subsidiaries for each of the three years ended December 31, 1991, December 31, 1992 and December 31, 1993.

REGISTERED OFFICE OF CITIBANK

Citibank, N.A.,
399 Park Avenue,
New York, New York 10043

HEAD OFFICE OF CITIBANK

Citibank, N.A.,
399 Park Avenue,
New York, New York 10043

LONDON BRANCH OF CITIBANK

Citibank, N.A.,
336 Strand,
London WC2R 1HB

UNIT AGENT AND LISTING AGENT

Citibank International plc,
336 Strand,
London WC2R 1HB

Citibank, AG,
Neue Mainzer Strasse 60311
Frankfurt am Main

Citibank (Switzerland)
Bahnhoff Strasse 63 CH8021
Zurich

LEGAL ADVISERS

To Citibank International plc
Freshfields,
65 Fleet Street,
London EC4Y 1HS

FC1835

London STOCK EXCHANGE
Listing Department
Listing particulars approved
Date: 20th May 1994
Signed: 1 [signature]
2 [signature]

OFFERING CIRCULAR

CITIBANK

Citibank, N.A.

2,500,000 FT-SE 100 CitiTrak Units
25,000,000 S&P 500 CitiTrak Units
5,000,000 IBEX 35 CitiTrak Units
7,500,000 DAX CitiTrak Units
7,500,000 BCI 30 CitiTrak Units
5,000,000 SMI CitiTrak Units

The 2,500,000 FT-SE 100 CitiTrak Units linked to the FT-SE 100 Index (the "FT-SE 100 CitiTrak Units"), the 25,000,000 S&P 500 CitiTrak Units linked to the Standard and Poor's 500 Composite Stock Price Index (the "S&P 500 CitiTrak Units"), the 5,000,000 IBEX 35 CitiTrak Units linked to the IBEX 35 Index (the "IBEX 35 CitiTrak Units"), the 7,500,000 DAX CitiTrak Units linked to the DAX Index (the "DAX CitiTrak Units"), the 7,500,000 BCI 30 CitiTrak Units linked to the BCI 30 Index (the "BCI 30 CitiTrak Units"), and the 5,000,000 SMI CitiTrak Units linked to the SMI Index (the "SMI CitiTrak Units") will be unsecured obligations of Citibank, N.A., London Branch ("Citibank"). The Units fall within Part IV of the Financial Services Act 1986.

The Units will be settled on June 21, 1996 (the "Settlement Date") and on that date will give the Unitholder the right to receive the Settlement Amount (as defined in "Description of the Units" below).

The Units were offered initially at a price of £29.91 for each FT-SE 100 CitiTrak Unit, $4.267 for each S&P 500 CitiTrak Unit, £16.12 for each IBEX 35 CitiTrak Unit, DM22.44 for each DAX CitiTrak Unit, Itl 18,296 for each BCI 30 CitiTrak Unit, and SFr. 25.80 for each SMI CitiTrak Unit and, thereafter, the Units may be offered from time to time in the over-the-counter market or otherwise at prevailing prices or in negotiated transactions, at the discretion of Citibank International plc ("CIP"). Interest will not accrue and will not be payable on the Units.

A Global FT-SE 100 CitiTrak Unit, a Global S&P 500 CitiTrak Unit, a Global IBEX 35 CitiTrak Unit, a Global DAX CitiTrak Unit, a Global BCI 30 CitiTrak Unit, and a Global SMI CitiTrak Unit (together, the "Global Units") representing the FT-SE 100 CitiTrak Units, the S&P 500 CitiTrak Units, the IBEX 35 CitiTrak Units, the DAX CitiTrak Units, the BCI 30 CitiTrak Units and the SMI CitiTrak Units (together the "Units") respectively, will be deposited on or about May 25, 1994 with a common depositary outside the United States and the United Kingdom for Morgan Guaranty Trust Company of New York, Brussels office as operator of the Euroclear System ("Euroclear") and Centrale de Livraison de Valeurs Mobilières S.A. ("CEDEL").

Application will be made to The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited (the "London Stock Exchange") for the Units to be admitted to the Official List. Copies of this Offering Circular will be delivered to the Registrar of Companies in England and Wales as required by Section 149 of the Financial Services Act 1986.

The Units have not been registered and will not be registered under the United States Securities Act of 1993, as amended (the "Securities Act") or any state securities law. The Units may not at any time be offered, sold or delivered directly or indirectly in the United States (as defined herein) or to, or for the account or benefit of, any U.S. person (as defined herein). Each purchaser of Units will be deemed to make certain representations in respect of non-US beneficial ownership as described herein under "Purchase and Selling Restrictions".

COMPANIES
20 MAY 1994
L.C.
HOUSE

CITIBANK INTERNATIONAL plc
CITIBANK AG
CITIBANK (SWITZERLAND)

May 20, 1994

COMPANIES HOUSE

BR4

This form should be completed in black.

Return by an overseas company subject to branch registration of change of directors or secretary or of their particulars
(Pursuant to Schedule 21A, paragraph 7(1) of the Companies Act 1985)

Company number: FC 1835

Branch number: BRC01018

Company name: CITIBANK, N.A.

Branch name (if different):

Resignation, etc.

(This includes any form of ceasing to hold office e.g. death or removal from office)

Date of resignation etc: DR 19 04 94

Resignation etc, as director: XD X

Resignation etc, as secretary: XS

Please mark the appropriate box. If resignation etc is as a director and secretary mark both boxes

Forenames: Donald Vincent

Surname: SEIBERT

Date of birth (directors only): DO 17 08 23

(See note on page 4)

This return is delivered in respect of all the branches listed on page 4

To whom should Companies House address any enquiries about the information on this form

Name: John S Mitchell-Howson, Assistant Secretary

Address: CITIBANK, N.A.

336 Strand, London WC2R 1HB

Telephone: 071 438 0817

When completed, this form should be returned to the address on page 4

A830W22E
A03RECEIPT DATE13/06/94

Appointment

(Turn to page 3 notify resignation or alteration of particulars)

Date of appointment

Appointment of director

Appointment of secretary

Name *Style/title

Forenames

Surname

*Honours etc

Previous forenames

Previous surname

Usual residential address

Post town

County/region

Postcode

+Date of birth

+Business Occupation

+Other directorships

Scope of authority

NOTES

Show the full forenames NOT INITIALS If the director or secretary is a Corporation or Scottish firm, show the name or surname first and registered or principal office on the usual residential address line

Give previous forenames or surnames except:
- for a married woman the name before marriage need not be given.
- for names not used since the age of 18 or for at least 20 years

A peer or individual known by a title may state the title instead of or in addition to the forenames and surnames

* Voluntary details
\+ Directors only

Other directorships
Give the name of every company incorporated in Great Britain which the person concerned is a director or has been a director at any time in the past 5 years. Exclude a company which either is, or at all times during the past 5 years when the person was a director, was

- dormant
- a parent company which wholly owned the company making the return
- another wholly owned subsidiary of the same parent company

You may use a separate sheet of paper if necessary.

Give brief particulars of the extent of the powers exercised (e.g. whether they are limited to powers expressly conferred by the instrument of appointment, or whether they are subject to express limitations.) Where the powers are exercised jointly, give the name(s) of the person(s)

Mark as applicable

This return must be delivered to the Registrar within 21 days of the notice being received in Great Britain in due course of post (if despatched with due diligence)

Consent signature

DA

CD ☐
CS ☐

Please mark the appropriate box. If appointment is as a director and secretary mark both boxes.

AD

DO +Nationality NA

OC

The extent of the authority to represent the company is (give details)

These powers :

☐ May be exercised acting alone,

☐ Must be exercised with :- (give names of co-authorised person(s))

I consent to act as director/secretary of the above named company

Signed Date

A serving director etc must also sign the form on page 4

ALTERATION OF PARTICULARS

(this section is not for appointments or resignations)

Complete this section in all cases where particulars of a serving director/ secretary have changed and then the appropriate section below

DR

Date of change of particulars

XD

Change of particulars, as director

XS

Change of particulars, as secretary

Please mark the appropriate box. If change of particulars is as a director and secretary mark both boxes

Forenames (name previously notified to Companies House)

Surname

DO

Date of birth (directors only)

Change of name (enter new name)

Forenames

Surname

Change of usual residential address (enter new address)

AD

Post town

County/region

Postcode

Country

Nationality

Change to authority to act (if applicable)

Give brief particulars of any change in the authority of a director to represent the company, including any alteration to the manner in which existing or new powers may be exercised (e.g. requiring them to be exercised with other persons.)

The extent of the authority of the above person to represent the company has been altered to :- (give details)

Those powers :

☐ May be exercised alone, or

☐ Must be exercised with : (give names of co-authorised persons)

Mark as applicable

Form BR4

Registration number	Branch name

NOTE:- A return must be delivered in respect of any alteration to the company particulars by each branch of an overseas company. If, however, a company has more than one branch in THE SAME PART of Great Britain, it may deliver only one form in respect of all those branches, provided it completes the table above on this page.

SIGNATURE: [signature] DATED: 10 June 1994

John S Mitchell-Howson
Assistant Secretary, duly authorised.

When completed, this form should be delivered to :-

For branches registered in England and Wales

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

For branches registered in Scotland

The Registrar of Companies
Companies House
100 - 102 George Street
Edinburgh
EH2 3DJ

COMPANIES HOUSE

A00 *ABIYH3GI* 39
COMPANIES HOUSE 02/08/94

BR2

This form should be completed in black.

Return by an oversea company subject to branch registration of an alteration to constitutional documents
(Pursuant to Schedule 21A, paragraph 7(1) of the Companies Act 1985.)

Company number	FC 1835
Company name	CITIBANK, N.A.
Branch number	BR001018
Branch Name	CITIBANK, N.A.

CONSTITUTIONAL DOCUMENTS

On 18 04 94 an alteration was made to the constitutional document(s) of the company

A copy of the new instrument is attached

* A certified translation is also attached

Certified copy of the Articles of Association as amended and effective 21 December 1993 and By-Laws as amended and effective 18 April 1994 with respective Notarial Certificate issued in New York on 7 July 1994.

* Delete as applicable

Note:- A company is only required to make a return in respect of a branch where the document altered is included amongst the material registered in respect of that branch.

Signed [signature] Assistant Secretary
* Director / Secretary / Permanent representative

Date 1 AUGUST 1994

When completed, this form should be returned to the address overleaf

To whom should Companies House direct any enquiries about the information on this form

Name John S MITCHELL-HEWSON, FCIS

Address 336 Strand, London WC2P 1HB

Telephone no. 071 438 0817

When completed, this form should be delivered to :-

For branches registered in England and Wales

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

For branches registered in Scotland

The Registrar of Companies
Companies House
100 - 102 George Street
Edinburgh
EH2 3DJ

CITIBANK

ARTICLES OF ASSOCIATION
AS AMENDED EFFECTIVE
DECEMBER 21, 1993

BY-LAWS
AS AMENDED
EFFECTIVE APRIL 18, 1994

CITIBANK, N.A.
Charter No. 1461

Articles of Association
AS AMENDED EFFECTIVE DECEMBER 21, 1993

FIRST. The name and title of this Association shall be Citibank, N.A.; the Association in conjunction with its said legal name may also continue to use, as a trade name, its former name First National City Bank.

SECOND. The Head Office shall be in the City of New York, State of New York. The general business of this Association, and its operations of discount and deposit, shall be conducted at its Head Office and its legally established branches.

THIRD. The Board of Directors shall consist of such number of individuals, not less than five nor more than twenty five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

FOURTH. The regular annual meeting of the shareholders for the election of directors and the transaction of whatever other business may be brought before said meeting shall be held at the Head Office, or such other place as the Board of Directors may designate, on the day of each year specified therefor in the By Laws of the Association, but if no election shall be held on that day it may be held on any subsequent day according to the provisions of law; and all elections shall be held according to such lawful regulations as may be prescribed by the Board of Directors.

FIFTH. The amount of capital stock which the Association shall have authority to issue is $800,000,000 divided into 40,000,000 shares of capital stock of the par value of $20 each; but the capital stock may be increased or decreased from time to time, in accordance with the provisions of law. No holder of shares of the capital stock shall have any preemptive or preferential right of subscription to any shares of any class of stock of the Association, whether now or hereafter authorized, or to any securities or obligations convertible into or carrying any right to purchase stock of the Association, issued or sold, nor any right of subscription to any thereof other than such, if any, as the Board of Directors, in its discretion, may from time to time determine and at such price as the Board of Directors may from time to time fix.

The Association, at any time and from time to time, may authorize and issue debt obligations whether or not subordinated without the prior approval of shareholders.

SIXTH. The Board of Directors (a majority of whom shall be a quorum to do business) shall appoint one of its members to be Chairman of the Association, who shall be the Chief Executive Officer of this Association and who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint one of its members to be President of this Association, who shall perform such duties as may be designated by it. The Board of Directors shall have the power to appoint such other officers and employees as in its judgment may be required to transact the business of the Association.

The Board of Directors shall have the power to define the duties of the officers and employees of the Association; to fix the salaries to be paid to them; to dismiss them; to require bonds

from them and to fix the penalty thereof, to regulate the manner in which any increase of the capital of the Association shall be made, to manage and administer the business and affairs of the Association, to make all by-laws that it may be lawful for them to make, and generally to do and perform all acts that it may be legal for a board of directors to do and perform.

The Board of Directors, without the approval of the shareholders, shall have the power to change the location of the Head Office and of any branch or branches of the Association subject to such limitations as from time to time may be provided by law.

SEVENTH The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders owning two-thirds of its stock, or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special Act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH The Board of Directors, or the holders of not less than ten per centum of the stock of the Association, may call a special meeting of shareholders at any time, provided, however, that unless otherwise provided by law, not less than ten days prior to the date fixed for any such meeting, a notice of the time, place and purpose of the meeting shall be given by first-class mail, postage prepaid, to all shareholders of record at their respective addresses as shown upon the books of the Association.

NINTH (1) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(2) The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

(3) The Association may indemnify any person who is or was an employee of the Associa-

tion, or is or was serving at the request of the Association as a director, officer or employee of another corporation, partnership, joint venture, trust or other enterprise to the extent and under the circumstances provided by paragraphs 1 and 2 of this Article NINTH with respect to a person who is or was a director or officer of the Association.

(4) Any indemnification under paragraphs 1, 2 and 3 of this Article NINTH (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth therein. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum (as defined in the By-Laws of the Association) consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders.

(5) Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Article NINTH.

(6) The indemnification provided by this Article NINTH shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(7) By action of its Board of Directors, notwithstanding any interest of the directors in the action, the Association may purchase and maintain insurance, in such amounts as the Board of Directors deems appropriate, on behalf of any person who is or was a director, officer, employee or agent of the Association, or of any corporation a majority of the voting stock of which is owned by the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power or would be required to indemnify him against such liability under the provisions of this Article NINTH; PROVIDED, HOWEVER, that the Association may not purchase or maintain insurance which would cover final orders assessing civil money penalties arising out of administrative actions or proceedings instituted by an appropriate bank regulatory agency.

(8) Notwithstanding any right or authority granted in subparagraphs (1)-(7) of this Article, no person shall be indemnified or reimbursed for expenses, penalties, or other payments incurred in an administrative proceeding or action instituted by an appropriate bank regulatory agency if such proceeding or action results in a final order assessing a civil money penalty or requiring affirmative action by an individual or individuals in the form of payments to the Association.

TENTH: These Articles of Association may be amended at any regular or special meeting of the shareholders by the affirmative vote of the holders of a majority of the stock of the Association, unless the vote of the holders of a greater amount of stock is required by law, and in that case by the vote of the holders of such greater amount.

The undersigned duly qualified Assistant Secretary of Citibank, N.A., a national banking association, hereby certifies that the foregoing is a true and complete copy of the Articles of Association of said Bank.

Subscribed and sworn before me this 5th day of July, 1995.

RENÉ JOHNSON
Notary Public, State of New York
No. 01JO5021476
Qualified in Kings County
Commission Expires Dec. 13, 1995

CITIBANK, N.A.

BY-LAWS

CITIBANK, N.A.
BY-LAWS

ARTICLE I
MEETINGS OF SHAREHOLDERS

SECTION 1. *Annual Meeting.* The regular annual meeting of the shareholders, for the election of directors and the transaction of whatever other business may come before the meeting, shall be held at the Head Office of the Association, 399 Park Avenue, Borough of Manhattan, City of New York, or such other place as the Board of Directors may designate, on the third Tuesday of April of each year. Notice of such meeting shall be mailed, postage prepaid, at least ten days prior to the date thereof, addressed to each shareholder at his address appearing on the books of the Association, except that it shall not be necessary to mail such notice to any shareholder with whom communication is made unlawful in any law of the United States of America now or hereafter enacted or amended, or in any rule, regulation, proclamation or executive order issued thereunder. Such notice may be waived in writing before, after, or at, such meeting. The validity of such meeting and of the proceedings thereat shall not be affected by any failure to mail notice thereof to any shareholder, or by any irregularity in such notice. If, from any cause, an election of directors is not made on the said day, the Board of Directors shall order the election to be held on some subsequent day, as soon thereafter as practicable, according to the provisions of law; and notice thereof shall be given in the manner herein provided for the annual meeting.

SECTION 2. *Special Meetings.* Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of not less than ten per cent of the stock of the Association. Every such special meeting, unless otherwise provided by law, shall be called by mailing, postage prepaid, not less than ten days prior to the date fixed for such meeting, to each shareholder at his address appearing on the books of the Association, a notice stating the purpose of the meeting. Such notice may be waived in writing before, after, or at, such meeting.

SECTION 3. *Judges of Election.* Every election of directors shall be managed by three judges, who shall be appointed by the Chairman of the meeting. The judges of election shall hold and conduct the election at which they are appointed to serve; and, after the election, they shall file with the Secretary a certificate under their hands, certifying the result thereof and the names of the directors elected. The judges of election, at the request of the Chairman of the meeting, shall act as tellers of any other vote by ballot taken at such meeting, and shall certify the result thereof.

SECTION 4. *Quorum.* A majority of the outstanding capital stock, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders, unless otherwise provided by law; but less than a quorum may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice. A majority of the votes cast shall decide every question or matter submitted to the shareholders at any meeting, unless otherwise provided by law or by the Articles of Association.

ARTICLE II

Directors

Section 1. *Board of Directors.* The Board of Directors shall have power to manage and administer the business and affairs of the Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by said Board.

Section 2. *Number.* The Board of Directors shall consist of such number, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled.

Section 3. *Organization Meeting.* The Secretary, upon receiving the certificate of the Judges, of the result of any election, shall notify the directors-elect of their election and of the time at which they are required to meet at the Head Office of the Association, or such other place as the Board of Directors may designate, for the purpose of organizing the new Board and electing and appointing officers of the Association for the succeeding year. Such meeting shall be appointed to be held on the day of the election or as soon thereafter as practicable, and, in any event, within thirty days thereof. If, at the time fixed for such meeting, there shall not be a quorum present, the directors present may adjourn the meeting, from time to time, until a quorum is obtained.

Section 4. *Regular Meetings.* A regular meeting of the Board of Directors shall be held, without notice, on the third Tuesday of each calendar month, unless the Board of Directors shall otherwise determine, at the Head Office of the Association at such time as shall be fixed by the Board of Directors from time to time, or, with notice to the directors of the time and place of such meeting, may be held at

such other time and place as the board shall have ordered at any previous meeting. Should the day appointed for a regular meeting fall on a legal holiday, the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday.

Section 6. *Special Meetings.* A special meeting of the Board of Directors may be called at any time by the Chairman, or in the absence of the Chairman, the President, or in the absence of the Chairman and the President, any Vice Chairman who is a member of the Board of Directors, and on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary. Members of the Board of Directors may participate in such special meetings through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

Section 6. *Notice.* Notice of any special meeting, specifying the time and place of such meeting, or of the time and place or the cancellation of any regular meeting of the Board of Directors may be given in writing, either by mailing the same to each director, at his address appearing on the books of the Association on or before the second day preceding the meeting, or by telegraphing the same to him at such address or delivering the same to him personally, or leaving the same at his place of business, or at his residence, or by telephone on or before the day preceding the meeting. Notice need not be given to any director if waived by him in writing.

Section 7. *Quorum.* A majority of the directors shall constitute a quorum at any meeting, except when otherwise provided by law; but a less number may adjourn any meeting, from time to time, and the meeting may be held, as adjourned, without further notice.

Section 8. *Vacancies.* When any vacancy occurs among the directors, the remaining members of the Board may appoint a director to fill such vacancy at any regular meeting of the Board, or at a special meeting called for that purpose.

Section 9. *Directors' Fees.* The Board of Directors shall have authority to determine from time to time, the amount of compensation which shall be paid to any of its members, provided however that no such compensation be paid to any director who is a salaried officer or employee of the Association or any of its subsidiaries. Directors shall receive transportation and other expenses of attendance.

ARTICLE III
Committees of the Board

Section 1. *Executive Committee; Powers.* There shall be an Executive Committee of the Board of Directors which shall be constituted as provided in Section 2 of this Article. The Executive Committee shall have and may exercise, when the Board is not in session, all the powers of the Board that may lawfully be delegated. The Executive Committee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors at which a quorum is present, and any action taken by the Board with respect thereto shall be entered in the minutes of the Board. All acts done and powers conferred by the Executive Committee from time to time shall be deemed to be, and may be certified as being, done or conferred under authority of the Board.

Section 2. *Executive Committee; Membership; Meetings; Quorum.* The Executive Committee shall hold a regular meeting without notice at the time and place appointed for each regular meeting of the Board of Directors at which a quorum of the Board shall not be in atten-

dance at such time and place, unless such regular meeting of the Board is cancelled as provided in Article II, Section 6. The directors present at such time and place, if there be not less than three, shall constitute the Executive Committee for such regular meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. A special meeting of the Executive Committee may be called at any time by the Chairman, or in the absence of the Chairman, the President, or in the absence of the Chairman and the President, any Vice Chairman or on the written request of any three members of the Board such meeting shall be called by one of said officers or by the Secretary. Notice of any such special meeting shall be given to each director in the manner provided in Article II, Section 6 for the giving of notice, or the waiver thereof, of a special meeting of the Board of Directors and shall be sufficient even though such notice refers only to a meeting of the Board of Directors. The directors who shall attend at the time and place fixed in such notice, if there be not less than three, shall constitute the Executive Committee for such special meeting, and the vote of a majority of the Committee as so constituted shall suffice for the transaction of business. Executive Committee meetings may be held through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another.

Section 3. *Other Committees.* The Board of Directors may appoint, from time to time, from its own members, other committees of one or more persons, for such purposes and with such powers as the Board may determine. Members of such other committees may participate in meetings of those committees through use of conference telephone or similar communications equipment, so long as all members participating in such meetings can hear one another. Each such com-

mittee shall keep minutes of its meetings, and such minutes shall be submitted at the next regular meeting of the Board of Directors, and any action taken by the Board with respect thereto shall be entered into the minutes of the Board. Committees composed of non-members of the Board may also be appointed to consult with the members regularly or from time to time under such rules as the Board may determine but in no event may such Committees have the power of final decision in matters concerning the business of the Association.

ARTICLE IV
Officers and Agents

Section 1. *Chairman.* The Board of Directors shall appoint one of its members to be Chairman of the Association. The Chairman shall be the Chief Executive Officer of the Association, and shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall be Chairman of the Board, and shall preside at meetings of the Board of Directors and the Executive Committee and at meetings of the shareholders.

Section 2. *President.* The Board of Directors may appoint one of its members to be President of the Association. The President shall have general executive powers as well as the specific powers conferred by these By-Laws. In the absence of the Chairman, the President shall exercise his powers and duties and shall preside at meetings of the Board of Directors and the Executive Committee and at the meetings of the shareholders.

Section 3. *Vice Chairmen.* The Board of Directors may appoint one or more Vice Chairmen of the Association. In the absence of the Chairman and the President, and, in the order of their appointment to the office, the Vice Chairmen shall exercise the powers and duties of

the Chairman related to meetings of the Board of Directors and the Executive Committee and meetings of the shareholders. Each Vice Chairman shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman or the President.

SECTION 4. *The Sector Executives.* The Board of Directors may appoint one or more Sector Executives of the Association. Each Sector Executive shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman or the President.

SECTION 5. *Senior Executive Vice Presidents.* The Board of Directors may appoint one or more Senior Executive Vice Presidents of the Association. Each Senior Executive Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. Each of them shall also have such powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or any Vice Chairman.

SECTION 6. *Executive Vice Presidents, Group Executives/Senior Corporate Officers.* The Board of Directors may appoint one or more Executive Vice Presidents/Group Executives/Senior Corporate Officers of the Association, each of whom shall have supervision of such major group or other administrative unit of the Association, or such other primary responsibilities, as may from time to time be established and defined by the Board of Directors, the Chairman, the President or any Vice Chairman, in the case of an Executive Vice President/Senior Corporate Officer, or by the Board of Directors, the Chairman, the President, any Vice Chairman or any Sector Execu-

tive in the case of a Group Executive. Each Executive Vice President/Group Executive/ Senior Corporate Officer shall have general executive powers as well as the specific powers conferred by these By-Laws. Each Executive Vice President/ Senior Corporate Officer shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or any Vice Chairman. Each Group Executive shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or any Sector Executive.

SECTION 7. *Chairman Credit Policy Committee.* The Board of Directors may appoint a Chairman Credit Policy Committee who shall have general responsibilities in connection with the formulation and administration of the credit policies of the Association. He shall have general executive powers, as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman or the President.

SECTION 8. *Senior Vice Presidents.* The Board of Directors may appoint one or more Senior Vice Presidents of the Association. Each Senior Vice President shall have general executive powers as well as the specific powers conferred by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, any Vice Chairman or any Sector Executive.

SECTION 9. *Secretary.* The Board of Directors shall appoint a Secretary who shall keep accurate minutes of meetings of the Board of Directors and the Executive Committee of the Board. He shall attend to the giving of all notices required by these By-Laws to be given. He

shall be custodian of the corporate seal, records, documents, and papers of the Association. He shall have and may exercise any and all other powers and duties pertaining by law or regulation to the office of Secretary, or imposed by these By-Laws. He shall also have such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President or any Vice Chairman.

SECTION 10. *Chief Auditor.* The Board of Directors shall appoint a Chief Auditor who shall be the chief auditing officer of the Association. He shall continuously examine the affairs of the Association, and shall report to the Board of Directors. He shall have and may exercise the powers and duties as from time to time may be conferred upon, or assigned to him by the Board of Directors. Subject to the authority granted to him by the Board of Directors, the Chief Auditor may also appoint, dismiss, and fix the salaries of one or more Assistant Vice Presidents, Managers, and Assistant Managers, and such other officers in the Chief Auditor's Division as, from time to time, appear to him to be required or desirable.

SECTION 11. *Vice Presidents.* The Board of Directors may appoint one or more Vice Presidents of the Association. In addition, the Board of Directors may delegate to officers of the rank of Senior Vice President or higher, as designated by the Chairman, the President, any Vice Chairman or any Sector Executive, authority to appoint, dismiss and fix salaries to be paid Vice Presidents within the respective officers' areas of supervision. Each Vice President shall have specific powers conferred by these By-Laws and such further powers and duties as may from time to time be assigned to him by the Board of Directors, the Chairman, the President, any Vice Chairman or any Sector Executive.

SECTION 12. *Deputy Chief Auditors.* The Board of Directors may

appoint one or more Deputy Chief Auditors. He may exercise such of the powers of the Chief Auditor as may be delegated to, and perform such further duties as may be conferred upon, or assigned to him, from time to time by the Chief Auditor or by the Board of Directors.

Section 13. *Other Officers.* The Board of Directors may establish senior officer positions equivalent to and having duties and powers the same as those officers mentioned in the preceding Sections of this Article IV. The Board of Directors may also appoint one or more Assistant Vice Presidents, Managers, Assistant Managers, and such other officers as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association. In addition, the Board of Directors may delegate to officers of the rank of Vice President or higher, as designated by the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, any Executive Vice President / Group Executive/Senior Corporate Officer, the Chairman Credit Policy Committee, or any Senior Vice President, the authority to appoint, dismiss, and to fix the salaries to be paid to any such officers other than officers in the Chief Auditor's Division, within the respective officer's area of supervision. The officers so appointed shall have such powers and duties as may, from time to time, be conferred upon or assigned to them by the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive or the appointing officer.

Section 14. *Attorneys-in-Fact.* The Board of Directors may appoint one or more attorneys-in-fact as, from time to time, may appear to the Board of Directors to be required or desirable to transact the business of the Association and, subject to the authority of the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, or any Executive Vice

President/Group Executive/Senior Corporate Officer may appoint, dismiss and fix the compensation to be paid to such attorneys in fact. In the case of attorneys in fact who are otherwise employed by the Association or by any affiliated corporate entity, the authority to appoint or dismiss any such attorneys in fact may be exercised by any officer having supervision of a major administrative unit, group, division, or department of the Association as may be specified by the Board of Directors. The attorneys in fact appointed pursuant to this Section 14 shall exercise such powers and perform such duties as may, from time to time, be conferred upon them by Power of Attorney.

Section 15. *Clerks and Agents.* The Board of Directors may appoint, from time to time, such Paying Tellers, Receiving Tellers, Note Tellers, Vault Custodians, bookkeepers and other clerks, agents and employees as it may deem advisable for the prompt and orderly transaction of the business of the Association, define their duties, fix the salaries to be paid them and dismiss them. Subject to the authority of the Board of Directors, the Chairman, the President, any Vice Chairman, any Sector Executive, or any other officer of the Association authorized by any of them, may appoint and dismiss all or any clerks, agents and employees and prescribe their duties and the conditions of their employment, and from time to time fix their compensation.

Section 16. *Tenure of Office.* All officers, clerks, agents and employees appointed by the Board of Directors, or under its authority, shall hold office at the pleasure of the Board.

ARTICLE V

Domestic Business

Section 1. *Location.* The Board of Directors shall have plenary

power to establish, to discontinue, or, from time to time to change the location of, any domestic branch, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, the affairs of the domestic branches shall be under the immediate supervision and control of such officer as the Board, the Chairman or the President may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any domestic branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

ARTICLE VI

FOREIGN BRANCHES

SECTION 1. *Establishment.* The Board of Directors shall have plenary power to establish, to discontinue, or, from time to time, to change the location of, any branch in a foreign country or in a dependency of the United States of America, subject to such limitations as from time to time may be provided by law.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, the affairs of the foreign branches shall be under the immediate supervision and control of such officer as the Board, the Chairman or the President may designate and subject to such rules and regulations as such officer shall promulgate from time to time; and such officer is authorized to assign to any foreign branch such officers, agents, and employees as he may deem necessary to conduct the business thereof, and to reassign them as he may find proper.

SECTION 3. *Custody of Funds.* The funds of each branch shall be kept in the custody of the officer, manager, or other agent-in-charge thereof, or in such depositories as he may select, subject to the approval of such officer as may have supervision over the foreign branches of the Association.

SECTION 4. *Books, Reports, and Fiscal Periods.* At each branch, the officer, manager or other agent-in-charge thereof shall keep or cause to be kept, full and regular books of account, which shall at all times be open to inspection by the Association, through its proper officers or accountants or by the proper officers of the Government of the United States of America. All the transactions of the Association at the several branches shall be reported promptly to the Association by the officer, manager or other agent-in-charge thereof. Such officer as may have supervision over the foreign branches of the Association, may from time to time specify with respect to each branch the fiscal periods for ascertainment or remittance of profits and, generally, for its accounting purposes.

ARTICLE VII
FIDUCIARY POWERS

SECTION 1. *Establishment.* All fiduciary powers of the Association shall be exercised, subject to such regulations as the Comptroller of the Currency shall from time to time establish, through one or more trust departments as the Board of Directors shall from time to time determine. Any such trust department may constitute, or may be a part of, a major administrative unit of the Association as established and defined from time to time by the Board of Directors, the Chairman or the President, and each such department may be divided into subdivisions having such titles as the Chairman or the President may

from time to time designate. All the books and records of such trust department or departments shall be kept separate and distinct from the other books and records of the Association.

SECTION 2. *Management.* Subject to the general supervision and control of the Board of Directors, the Chairman and the President, and subject to the general supervision and control of the officer having supervision of that major administrative unit of the Association of which any trust department may be part, each trust department shall be under the immediate supervision and control of the officer in charge thereof and subject to such rules and regulations as he shall promulgate from time to time; and the Chairman, the President or such officer as either of them may designate is authorized to assign to any trust department or any subdivision thereof such officers, agents, and employees as he may deem necessary to conduct the business thereof and to reassign them as he may find proper. The officers in charge of each trust department and each subdivision thereof shall cause the policies and instructions of the Board to be carried out with respect to the trusts and accounts under their supervision and shall supervise the due performance of such trusts and agencies in accordance with law and pursuant to the terms thereof.

SECTION 3. *Authentication and Signature of Instruments.* All authentications or certificates by the Association, as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes, or other obligations of any corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, and interim certificates and trust certificates, may be signed or countersigned in behalf of the Association by the Chairman, the President, any Vice Chairman, any Sector Executive, any Senior Executive Vice President, any Executive Vice President/Group Executive/Senior Corporate Officer, the Chairman Credit Policy Commit-

fer, any Senior Vice President, the Secretary, any Vice President, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, any Assistant Vice President, any Manager, any Senior Trust Officer, any Assistant Manager, any Trust Officer, or any officer with rank equivalent to any of the foregoing as may be designated by the Secretary, or by any other person appointed for that purpose by the Board of Directors or pursuant to these By-Laws. Any such signature or countersignature may be manual or facsimile.

SECTION 4. *Assignment of Fiduciary Powers.* The management of all fiduciary accounts and the exercise by the Association of fiduciary powers may be assigned and delegated to and divided among such capable and experienced officers and employees in each trust department and such committees thereof as the Board of Directors may by resolution designate. Each such committee shall be composed of not less than three members, shall keep minutes of all its meetings showing the disposition of all matters considered and passed upon by it and shall be responsible for the maintenance of written records of the acceptance of fiduciary accounts and of the relinquishment or closing out of the same. Each fiduciary account where the Association has investment responsibilities shall be the subject of at least one review by a committee appointed pursuant to this Section 4 during every calendar year and within 15 months of the last review, such review to cover all of the assets held in and for such account with a view to determining the advisability of retaining or disposing of such assets.

ARTICLE VIII

STOCK AND STOCK CERTIFICATES

SECTION 1. *Transfers.* Shares of stock shall be transferable on the books of the Association, and transfer books shall be kept in which

all transfers of stock shall be recorded. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares. The Board of Directors may, in its discretion, appoint responsible banks or trust companies in such city or cities as the Board may deem advisable, from time to time, to act as transfer agents or co-transfer agents and registrars or co-registrars of the stock of the Association.

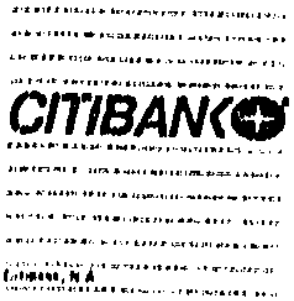
Section 2. *Stock Certificates.* Certificates of stock shall bear the signature of the Chairman or President (which may be engraved, printed or impressed) and shall either (a) bear the engraved, printed or impressed signature of the Secretary, be countersigned manually by a duly authorized transfer agent or co-transfer agent of the stock of the Association and be registered by a duly appointed registrar or co-registrar of the stock of the Association, or (b) be signed manually by the Secretary or by any Assistant Secretary or officer designated as an Authorized Officer of the Association and countersigned by any other Assistant Secretary or officer designated as an Authorized Officer, and, in either case the seal of the Association shall be engraved, printed or impressed thereon. Each certificate shall recite on its face that the stock represented thereby is transferable only upon the books of the Association by the holder thereof or his attorney, upon surrender of the certificate properly endorsed.

Section 3. *Record Date and Closing Transfer Books.* The Board of Directors may prescribe a period of not more than thirty days during which no transfer of shares of stock on the books of the Association may be made or in lieu thereof may fix a record date and hour, for the purpose of determining the shareholders entitled to any dividend or distribution, or to notice respecting any meeting of the shareholders or any matter as to which the consent or dis-

sent of shareholders may effectively be expressed without a meeting, and to vote or otherwise act at such meeting or concerning such matter. Any record date thus fixed shall not be prior to the date of declaration of such dividend or distribution or giving notice to the shareholders respecting such meeting or matter, nor shall it be more than thirty days prior to the date fixed for such meeting or expression of such consent or dissent.

ARTICLE IX
CORPORATE SEAL

The Secretary or any Assistant Secretary, or other officer thereunto designated by the Secretary, shall have authority to affix the corporate seal to any document requiring such seal, and to attest the same. Such seal shall be substantially in the following form:



ARTICLE X
MISCELLANEOUS PROVISIONS

SECTION 1. *Fiscal Year.* The fiscal year of the Association shall be the calendar year.

SECTION 2. *Execution of Instruments.* All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, sched-

ules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents, may be signed, executed, acknowledged, verified, delivered or accepted in behalf of the Association by the Chairman, the President, any Vice Chairman, any Sector Executive, or any Senior Executive Vice President, or any Executive Vice President/Group Executive/Senior Corporate Officer, or the Chairman Credit Policy Committee, or any Senior Vice President, or the Secretary, or the Chief Auditor, or any Vice President, or any Deputy Chief Auditor, or anyone holding a position equivalent to the foregoing pursuant to provisions of these By-Laws, or, if in connection with the exercise of any of the fiduciary powers of the Association, by any of said officers or by any Senior Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted in behalf of the Association in such other manner and by such other officers as the Board of Directors may from time to time direct. The provisions of this Section 2 are supplementary to any other provisions of these By-Laws.

Section 3. *Records.* The Articles of Association, the By-Laws and the proceedings of all meetings of the shareholders, the Board of Directors, the Executive Committee and other standing committees of the Board, shall be recorded in appropriate minute books provided for the purpose. The minutes of each meeting shall be signed by the Secretary or other officer appointed to act as Secretary of the meeting.

Section 4. *Banking Hours.* The Head Office of the Association and its branch offices shall be open for business on such days and during such hours as the Association shall establish from time to time consistent with applicable law.

ARTICLE XI
By-Laws

Section 1. *Inspection.* A copy of the By-Laws, with all amendments thereto, shall at all times be kept in a convenient place at the Head Office of the Association, and shall be open for inspection to all shareholders, during banking hours

Section 2. *Amendments.* These By-Laws may be amended, altered or repealed, at any meeting of the Board of Directors, by a vote of a majority of the whole number of the directors.

Section 3. *Reference to Gender.* A reference in these By-Laws to one gender, masculine, feminine, or neuter includes the other two; and the singular includes the plural and vice versa unless the context otherwise requires.

The undersigned, duly qualified and acting Secretary of CITIBANK, N.A. and as such officer the official custodian of its records, hereby certifies the foregoing By-Laws are the By-Laws of said Bank, and all of them, as now lawfully in force and effect.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature and the seal of the said Bank, in the City of New York, on this 7th day of July, 19 94

Witnesses:

UNITED STATES OF AMERICA
STATE OF NEW YORK } ss:
COUNTY OF NEW YORK

On this 14th day of July 1994 before me, a Notary Public in and for the State of New York, United States of America, and the above attesting witnesses, appeared Charlene Long domiciled in Brooklyn, NY to me known, and known to me to be Secretary of CITIBANK, N.A. and Secretary of its Board of Directors, and he signed in my presence, and in that of the aforesaid witnesses, the foregoing certificate with respect to a copy of the By-Laws, which copy he declared on oath that he had compared with the original in his custody. I hereby attest the foregoing, that the attesting witnesses are known to me and signed in my presence, that the seal affixed to said certificate is the corporate seal of the said Bank, and that the said Charlene Long is duly authorized to affix the same to said certificate

Rene' Johnson
Notary Public

RENE JOHNSON
Notary Public, State of New York
No. 01JO5021476
Qualified in Kings County
Commission Expires Dec. 13, 1995