



December 16, 2016

**Conditional Approval #1169
April 2017**

Ms. Loretta Moseman
Citigroup Deputy and Citibank, N.A. Treasurer
One Court Square
Long Island City, New York 11120

Re: Application to Issue Subordinated Debt Qualifying as Tier 2 Capital
OCC Control Number: 2016-LB-Capital&Div-293643

Dear Ms. Moseman:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application by Citibank, N.A., Sioux Falls, South Dakota, to issue \$1.5 billion in subordinated debt qualifying as Tier 2 capital, pursuant to 12 CFR 5.47. This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the bank's representatives.

The subordinated debt will be issued in December 2016 and mature in December 2026. It will pay a fixed rate of interest for the first five years, until December 2021, and a variable rate of interest thereafter. Under 12 CFR 5.47(h), a bank may not include such subordinated debt in Tier 2 capital unless the bank has received notification from the OCC that the subordinated debt qualifies as Tier 2 capital.

Condition

This approval is subject to the following condition:

- The pricing of the subordinated note must be consistent with the eligibility criteria for a Tier 2 capital instrument. Specifically, the conversion of the subordinated note from a fixed rate instrument to a floating rate instrument in 2021 must not result in any increase in the credit spread paid by Citibank.

This condition of approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice or other request" within the meaning of 12 USC 1818. As such, this condition is enforceable under 12 USC 1818.

Citibank, N.A.
Issuance of Subordinated Debt
2016-LB-Capital&Div-293643

Consummation Requirements

Prior to issuance of the subordinated debt, Citibank must comply with any applicable securities offering disclosure requirements under 12 CFR 16.

Please notify the OCC within 10 days following issuance of the subordinated debt that you have completed the issuance and complied with all requirements of 12 CFR 5.47. In this notification, please include the final pricing of the subordinated debt and an analysis that demonstrates satisfaction with the above condition. Upon receipt of your notice, the OCC will issue a letter acknowledging receipt and indicating whether the issuance qualifies as Tier 2 capital. The issuance of subordinated debt should be completed within one year of the date of this letter.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have questions regarding this letter, please contact me at (202) 649-6322 or by e-mail at David.Reilly@occ.treas.gov. Include the OCC control number on any correspondence related to this filing.

Sincerely,

signed

David Reilly
Large Bank Licensing Lead Expert