



390 Greenwich Street
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HEDGING OF GUARANTEED EQUITY PROGRAM TRADES

In the interest of maintaining the strongest possible trading relationships, Citigroup Global Markets Inc. ("Citigroup") remains committed to promoting open lines of communication with our clients. Along these lines, we are writing to you today as a reminder of Citigroup's policies and procedures regarding certain guaranteed-price orders.

As you know, we may receive an order from you for a basket of securities whereby we contractually agree to a guaranteed price based on independent benchmarks such as the official closing price or VWAP (Volume Weighted Average Price) for each of the component securities comprising a given basket. Generally, Citigroup will complete (or fill) this type of order after the primary market closes. Prior to the execution of a guaranteed-price order, Citigroup may establish a hedge through single or multiple transactions that serve to offset the risks associated with facilitating the guaranteed-price order. The establishment of the hedge will usually involve trading in either the same security or a related derivative instrument (such as a standardized option, future, exchange traded fund or other derivative instruments). Our hedge may or may not be a perfect economic hedge to your order. In establishing a hedge, Citigroup may do so at a better price than the guaranteed price you will receive. In that case, Citigroup will keep the resulting profit as its compensation for the risk assumed in providing a guaranteed price.

It is conceivable that the market impact resulting from Citigroup's hedging activity may ultimately affect the guaranteed price that we have contractually agreed upon. This scenario is more likely when the stocks have limited liquidity and/or if the size of our hedge transaction is significant. For example, if a Citigroup client places a large buy order in a thinly traded stock and the Firm enters into related hedge transactions, these factors may contribute to the market's overall movement, which could in turn result in a higher stock price obtained to fill the guaranteed price order upon the market's close.

Additionally, Citigroup would like to take this opportunity to inform you of our intended practice when an ordered security is covered by a short sale price test. Beginning in February 2011, SEC Regulation SHO Rule 201 creates a provision for circuit-breaker-based short sale price tests. While the price tests exempt Guaranteed VWAP orders under certain circumstances, it does not exempt Guaranteed Closing orders. If a circuit-breaker has triggered for a security included in your basket, and you are requesting that Citigroup guarantee the close, we reserve the right to remove the affected symbol from your basket. Similarly, if the affected security does not qualify for the VWAP exemption and you are requesting that Citigroup guarantee a particular VWAP, we will remove the affected symbol from your basket. If, after Citigroup has accepted your order, a price test becomes affective for one of the securities in your basket, Citigroup may be unable to complete your order in the affected security, but will make a best-efforts attempt to complete such an order on a case-by-case basis.



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As a firm, our foremost objective is to provide the best possible execution for our clients, which ultimately serves to promote our joint successes and the overall strength of our trading relationships. This brings us back to the importance of maintaining open lines of communication. With this in mind, please do not hesitate to call us if you have any questions or concerns on these or any other matters that are important to you.