

Citi OpenInvestorSM

OpenLendSM

Securities Lending Solutions

Customized Programs to Optimize Portfolio Performance

Transaction Services



Innovative Solutions for a Sophisticated Market

Lending programs that meet your evolving needs.

As portfolio strategies and risk management objectives evolve, investors are reevaluating the role of their securities lending programs within their overall investment strategy.

Beneficial owners are demanding a wider range of lending solutions, greater transparency, more flexibility in meeting collateral requirements and programs that can be tailored to their firm's individual needs.

Expertise is the Advantage

As part of a suite of investment services delivered through Citi OpenInvestorSM, OpenLendSM is an award-winning, open architecture securities lending solution that leverages Citi's global presence and robust risk management controls. We combine our specialized expertise, global trading advantage and flexible solutions to help our clients meet their individual risk management and performance objectives.

Leadership and Innovation

Citi is regularly cited by industry groups as a premier global provider. A recognized securities lending innovator, Citi has been a leading proponent and provider of securities lending in emerging markets, and was the first agent lender in South Korea, Taiwan and India. In addition, Citi has developed a dedicated solution to administer collateral assets in line with investors' socially responsible investment criteria – an industry first.

Full Transparency

Citi provides full transparency for lenders through our state of the art web-based reporting platform. OpenLend's reporting system offers the most detailed information available in the market, providing direct access to specific loan, collateral, and investment data to help clients manage risk, monitor performance and optimize their lending strategies.

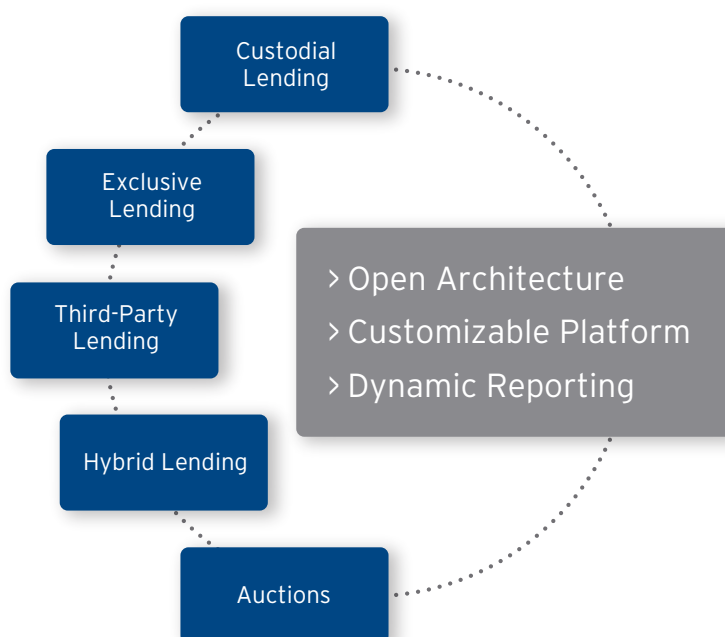
Robust Risk Controls

Citi helps mitigate risks from securities lending using a transparent, client-focused approach that systematically manages lender-approved counterparty exposure, lending and concentration limits. This process is underscored by stringent credit management controls, ongoing borrower financial reviews and independent risk and performance benchmarking.

Citi's OpenLendSM

Flexible securities lending solutions.

Programs to meet a diverse range of lending strategies and performance objectives.



A Choice of Open Architecture Solutions

OpenLend offers a range of traditional and alternative lending structures. Within each program, loans are executed with client-approved borrowers and collateral managed to specific guidelines provided by the lender.

- **Custodial Lending**
Citi acts as agent to lend clients' assets held in custody with Citi.
- **Third-Party Lending**
Citi acts as agent to lend clients' assets held in custody with a third-party custodian.
- **Exclusive Lending**
Citi acts as agent to lend clients' assets and provides a guaranteed income stream under an arrangement with our Prime Services Group and other borrowers.
- **Hybrid – Combination of Agent and Exclusive Structure**
Allows lenders to participate in a traditional securities lending program while enjoying the benefits of an exclusive structure.
- **Auctions**
Leveraging our extensive knowledge and understanding of the borrower community, Citi can facilitate and conduct portfolio auctions on behalf of clients.

The Leader in Lending in International Markets

Citi is uniquely positioned to manage securities lending activity in the global marketplace.

Unmatched Emerging Markets Lending Coverage

- Argentina
- Brazil
- Mexico
- Czech Republic
- Philippines
- Thailand
- Taiwan
- Turkey
- Hungary
- South Africa
- Poland
- India
- Malaysia

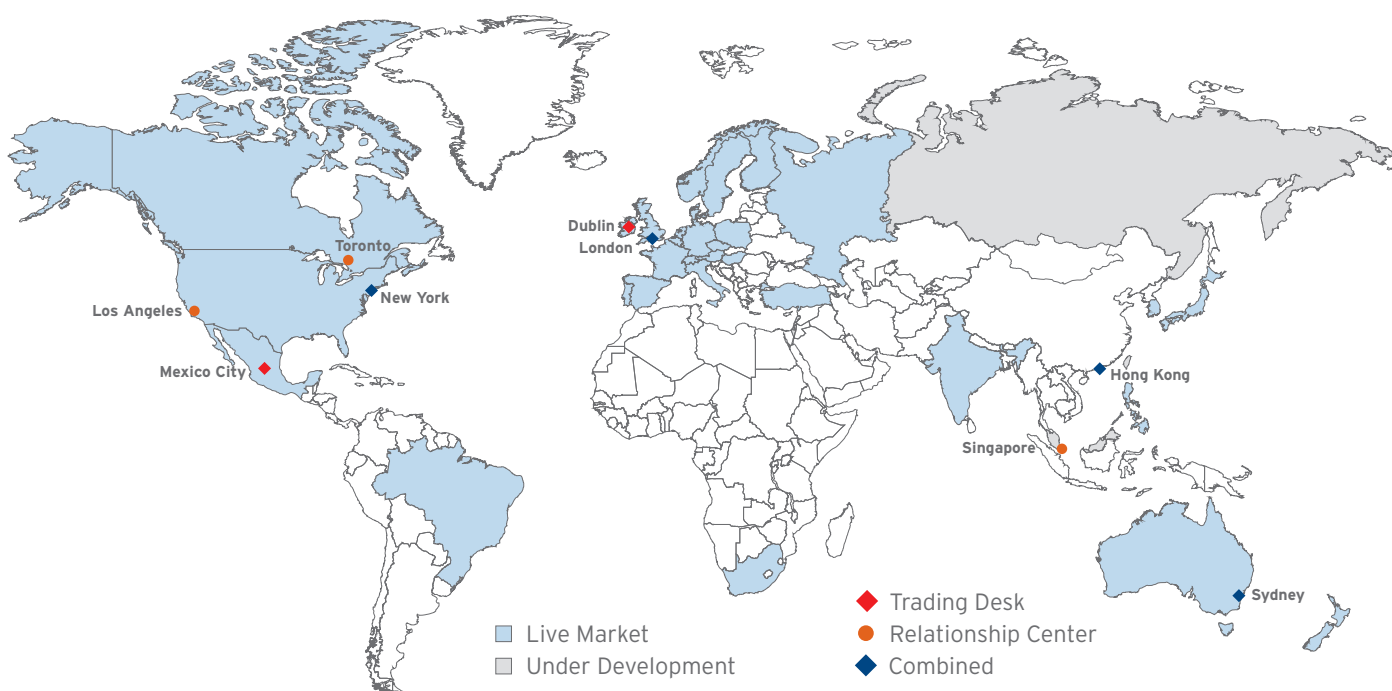
Global Presence

With an in-market presence in over 95 countries, Citi's securities lending solutions are supported by the breadth and depth of one of the world's largest financial infrastructures.

Our extensive proprietary network allows to be us an active, engaged participant and advocate for our clients in diverse local markets, leveraging established connections to financial infrastructures and on-the-ground knowledge of local regulatory issues to provide customized solutions. With this reach, we are uniquely positioned to launch lending programs in new markets.

Citi supports lending programs in 72 markets from six regional trading desks, providing comprehensive, around-the-clock coverage of the marketplace to enhance demand for our clients portfolios and meets the demands of borrowers worldwide.

Direct Lending in More Markets



Flexible Collateral Management

A choice of cash and non-cash collateral frameworks.

Citi works with you to tailor a program that suits your organization's risk and return profile. Since we do not charge fees for collateral management, Citi is agnostic on whether our clients choose a cash or non-cash collateral structure.

Cash Collateral

The open architecture nature of the OpenLend program allows clients to customize collateral guidelines to meet specific risk profiles and adapt to market conditions.

Client Flexibility and Control Collateral Structures

Clients have the ability to choose between three structures for the management of cash collateral:

- Agent managed
- Self managed
- Externally managed

Investment Guidelines

Lenders determine:

- Permitted investment instruments
- Credit quality restrictions
- Concentration limits
- Duration limits

Account Management

- Client's collateral assets are maintained in a separate account – no investment pooling
- State-of-the-art portfolio management platform with systemic pre- and post-trade compliance controls
- Citi does not charge management fees for the investment of cash collateral

Non-Cash Collateral

Clients have the option to take a wide range of securities as collateral to their lending transactions.

A non-cash collateral trade can result in greater spread, more liquidity, more availability of collateral and greater counterparty diversification.

Risk Mitigation

- Client selects the borrowers and can apply value limits; all borrowers are monitored by Citi through an internal credit review process
- Citi provides an indemnification against borrower default
- All loan positions are pre-collateralised (or delivery-versus-payment) and additional margin is accepted in line with market standards
- Loans and collateral are marked-to-market on a daily basis

Citi's Trading Advantage

Quantitative approach optimizes and enhances lending returns.

24-Hour Market Coverage from Six Dedicated Trading Desks

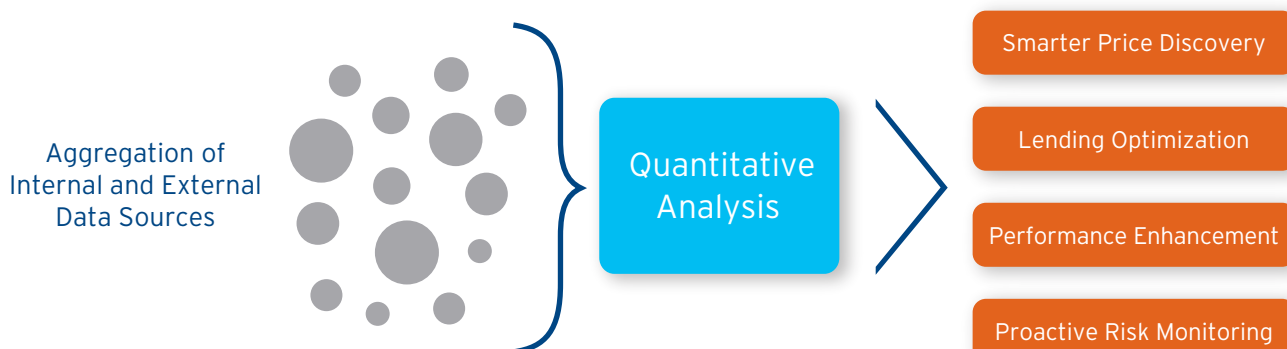
- New York
- Mexico City
- Dublin
- London
- Hong Kong
- Sydney

Driving Performance with Quantitative Analytics

OpenLend's Trading Analytics and Optimization (TAO) platform applies cutting-edge data analytics and quantitative algorithms to securities finance. TAO's proprietary technology allows our traders to extract superior securities lending return and maximize client performance.

Innovative Technology, Dedicated Expertise

- Pre- and post-trade analytics help drive the best decision-making and execution by traders
- Full-time Quant Team dedicated to proactively monitoring and targeting return opportunities
- Consistent, proactive contact with borrowers to determine their requirements and meet their needs from an extensive pool of global securities
- Regular review of client performance for utilization and spread



Citi OpenInvestorSM

Citi OpenInvestor is the investment services solution for today's diversified investor that combines specialized expertise, comprehensive capabilities and the power of Citi's global network to help clients meet their performance objectives across asset classes, strategies and geographies.

Delivered in bundled and modular solutions, the Citi OpenInvestor platform provides complete investment services for institutional, alternative and wealth managers through middle office, fund services, custody, and investing and financing solutions that are focused on their specific challenges and customized to their individual needs.

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