

Documentation 2.0: Key Changes to MAST & CDPC

We are delighted to introduce Documentation 2.0: TTS's new Cash Management Terms and Conditions.

Over the last five years, we have led a **Global Documentation Transformation Initiative** designed to simplify TTS's deal terms and support a frictionless Digital Experience. Beginning in September 2020, clients can expect the following:

- The **consolidation of globally-applicable deal terms** for Cash Management Services in the updated Master Account and Services Terms (MAST) and Confidentiality and Data Privacy Conditions (CDPC) allowing us to eliminate the majority number of Service Agreements and Local Conditions, These global agreements are now supplemented with:
 - **The introduction of the Country Addendum.** While local supplements have been eliminated in over 50% of countries, the remaining Country Addenda will only include the country-specific conditions that are not already addressed in the MAST and CDPC.
 - **Rationalized Service Agreements** including only provisions specific to the service that are not already addressed in the MAST and CDPC.
- **Service-related materials** (e.g. the Cash Management User Guide) available on paper or online providing clients with a detailed overview of the operational aspects of the Services.
- To enable a truly digital process, **the Documentation 2.0 package will be routed through the Citi Direct Digital On-boarding portal** and signed electronically, where permitted.
- **Global adoption of the Universal Onboarding Form (UOF)**, where all data relevant to Account Opening is consolidated into one, user-friendly form. Prior to Documentation 2.0, the UOF was only accessible to Accounts opened through the CitiDirect Digital Onboarding portal.

Below you'll find a high-level summary of the key changes made to both the MAST and CDPC, which are valid in all TTS markets and applicable to both Accounts and Services. For additional information, please contact your [Citi Representative].

1. MAST 2.0 Key Changes

- **Introduction of Service-related materials (Section 1.2):** The Cash Management User Guide ("User Guide") and other Service Materials are not included in the definition "Terms" in an effort to distinguish between the informational and operational nature of these materials.
- **The Communications section has been aligned with Security Procedures 2.0 (Sections 3.1 and 3.2):** We have eliminated duplicative content from Section 3 that is already addressed in the updated Security Procedures which explain the nuances of Citi's connectivity channels.
- **Consolidation of Manually Initiated Funds Transfers (MIFT) (Section 3.4):** Rather than calling out MIFT separately, we have consolidated under the broader definition of Communications, which includes all "transactional instructions" exchanged between the Customer and Citi.
- **Opt-in for Electronic Delivery of Statements (Section 6):** Given clients' general preference to receive statements electronically, we have defaulted to the electronic delivery unless prohibited by local law or a Customer instructs us otherwise.

- **Inclusion of Set-off (Section 7.3); Indemnity (Section 9.3); and Right to Amend (Section 10.3);**

To support a globally consistent approach to addressing key commercial clauses, Citi's set-off rights, indemnity protections, and ability to amend the terms have been centralized in the global deal terms.

In certain circumstances, Citi may need to update the terms at some point in the future. As such, we've simplified and streamlined the language supporting Citi's ability amend terms which was previously reserved in 70+ Local Conditions.

Each of these updates eliminates the need to address in various local documents and Service Agreements across the globe.

- **Tax Updates (Section 8):**

With Taxes now broken out into a dedicated section of the MAST, clients can now easily locate relevant terms. We have also expressly called out the Foreign Account Tax Compliance Act ("FATCA") and included a standard gross-up provision to ensure that when Citi processes a payment where taxes may be deducted or withheld, Citi receives the same amount that it would have received had no tax been withheld.

- **Clarified Citi's Sanctions Obligations (Sanctions 9.5):**

Updated to reflect Citi policy in relation to Citi's ability to act or not act on a payment instructions.

Termination (Section 10.1):

With many clients requesting a more precise notice period for Citi to terminate Accounts and Services, the MAST has been updated to include a 30-day notice period to terminate Accounts and Services for convenience. Citi was able to terminate immediately upon written notice under prior terms.

Use of Electronic Signatures (Section 11.8):

As the use of electronic signatures continues to increase across the world, Section 11.8 has been added to the MAST 2.0 to reflect both Citi and our clients adoption of and reliance on electronic signatures.

Citi's Intellectual Property Rights (Section 11.9):

Simplified intellectual property language has been moved from individual Service Agreements to MAST 2.0 to cover all relevant Services leveraging Citi's intellectual property.

Obligation to Keep KYC and Other Information Up to Date (Section 11.11):

Know Your Customer ("KYC") is critical in the fight against financial crime. MAST 2.0 includes a provision that ensures Customers will not only provide critical information requested at the time of Account Opening, but will also keep such information up to date throughout the duration of the relationship.

Venue (Section 12.2):

In the unlikely event of a dispute, venue is now generally reserved in the city listed in the Bank's address in Account Opening documentation under MAST 2.0. Prior to Documentation 2.0, venue was reserved in a number Local Conditions that resulted in the same position.

2. CDPC 2.0 Key Changes

- The CDPC has been simplified and streamlined, with duplicative and redundant terms (including most country- and regional-specific conditions) eliminated, resulting in a significantly shortened document. There is no reduction in the scope of protection provided to Customers.
- To make the CDPC easier to digest, we have moved all definitions to the first (or most relevant) location where they are used,

Definition of Payment Facilitator and Permitted Purposes (Section 3.1):

The definition of “Payment Facilitator” has been updated to reflect the current banking environment. We have modified the definition of “Permitted Purposes” to make it a unified definition applicable to both parties and to ensure clarity, we have incorporated purposes that were previously addressed elsewhere in the CDPC.

Permitted Disclosures (Section 3.2):

We have incorporated a waiver and release under local bank secrecy laws thus enabling the elimination of local country conditions addressing this issue.

Personal Data (Section 6):

To reflect the increasing global focus on data privacy, we have updated the personal data conditions to eliminate the majority of country- and region-specific terms. We have also amended this section to reflect the fact that in most countries, legal entities do not have personal data rights.

Cross-border Personal Data Transfers (Section 6.3):

We have added additional commitments on Citi’s part to ensure that personal data is protected when disclosed to Citi affiliates and third party service providers, and to ensure that cross-border transfers are conducted in accordance with applicable data protection laws.

Legal Basis for Processing Personal Data (Section 6.4):

We have simplified and streamlined Customer’s obligations in respect of any personal data provided to Citi. We have also placed all TTS-related privacy statements at a single URL so that they can be accessed easily.

3. Country Addendum (New to Documentation 2.0)

The Country Addendum includes clauses supplemental to the MAST and CDPC triggered by local regulation (each will include the specific regulatory citation) or necessary to address a specific commercial risk not addressed in the global deal terms. These clauses were previously included in either the Local Conditions or Regulatory Disclosures, Declarations and Representations (RDDR). Prescribed regulatory disclosures that Citi must provide and/or regulatory-driven statements to which clients must attest to open Accounts and utilize Services are now broken out in “Local Declarations”, but only where required.