Citigroup Global Markets Deutschland AG

Frankfurt am Main

Base Prospectus No. 6 dated 09 May 2012

In accordance with § 6 of the German Securities Prospectus Act

for

Bonus / Capped Bonus / Multi Bonus / Discount / Discount Plus / Discount Plus Pro / Bonus Quanto / Capped Bonus Quanto / Multi Bonus Quanto / Discount Quanto / Discount Plus Quanto / Discount Plus Pro Quanto / Reverse Bonus / Reverse Bonus Quanto/ TwinWin / TwinWin Quanto / Express / Express Quanto / Easy Express / Easy Express Quanto / Worst Of Express / Worst Of Express Quanto / Outperformance / Outperformance Quanto / Open End / Open End Quanto / Income Plus / Income Plus Quanto / Open End Faktor Certificates*

referenced to

Indices / Shares or Certificates Representing Shares / Commodities / Funds / Exchange Rates / Futures Contracts

or

a basket consisting of Indices / Shares or Certificates Representing Shares / Commodities / Funds / Exchange Rates / Futures Contracts

*The name of the Certificates is indicative and will be specified in the relevant Final Terms.

Important Notice

This Base Prospectus and the relevant Final Terms together constitute the complete prospectus for the relevant series of Certificates offered.

Complete information about the Issuer and the Certificates offered would be available only when this Base Prospectus is read together with the relevant Final Terms, which are not yet contained in this document but which will be presented and published as a separate document.

Summary

The following summary is intended as an introduction to this Base Prospectus and is to be read in connection with the more detailed information concerning the Issuer and the Certificates that are sold as part of the public offering. Any decision to invest in the Certificates should be based on consideration of this Base Prospectus as a whole by the investor. Where any claims relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the relevant EEA Member State, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated. Please also note that the Issuer can only be held liable for the contents of this summary if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus.

1. SUMMARY DESCRIPTION OF THE CERTIFICATES

SUBJECT MATTER OF THIS BASE PROSPECTUS

The subject matter of this Base Prospectus are Bonus / Capped Bonus / Multi Bonus / Discount / Discount Plus / Discount Plus Pro / Bonus Quanto / Capped Bonus Quanto / Multi Bonus Quanto / Discount Quanto / Discount Plus Quanto / Discount Plus Pro Quanto / Reverse Bonus / Reverse Bonus Quanto / TwinWin / TwinWin Quanto / Express / Express Quanto / Easy Express / Easy Express Quanto / Worst Of Express / Worst Of Express Quanto / Outperformance / Outperformance Quanto / Open End / Open End Quanto / Income Plus / Income Plus Quanto / Open End Faktor Certificates referenced to Indices, Shares or Certificates Representing Shares, Commodities, Funds, Exchange Rates or Futures Contracts or a basket consisting of Indices, Shares or Certificates Representing Shares, Commodities, Funds, Exchange Rates or Futures Contracts, issued by the Issuer. Details regarding the Certificates will be specified in the relevant Final Terms.

Certificates are transferable securities that give investors the right to receive a Cash amount or a specific number of underlyings at maturity or (in the case of open end certificates) after their effective exercise by the holder, all as further specified in the terms and conditions of the Certificates as set out in the relevant Final Terms.

REDEMPTION PROFILES OF THE CERTIFICATES

The redemption profile applicable to the relevant type of Certificates, including the concrete formula to determine the cash amount of the Certificates, will be specified in the relevant Final Terms.

Maturities of Certificates can be either fixed or open ended. The maturity date of closed end certificates is fixed. The cash amount of the Certificates is paid by the Issuer within a certain number of banking days after the relevant valuation date. However, Certificates may provide for their early redemption upon the occurrence of certain conditions. In such a case the life of the certificates ends automatically without any need for the Issuer to terminate the certificates separately. Open end Certificates do not have a maturity that is specified in advance. For this reason the Certificates may be terminated and made due for payment by the Issuer at predefined termination dates. The date for determining the cash amount corresponds to the respective termination date or another specified date. Open end Certificates may furthermore include a right for the holder to exercise its Certificates during their lifetime at specific exercise dates by issuing an exercise notice. The cash amount for exercised certificates is calculated on the basis of the final reference price of the underlying at the exercise date in question.

The cash amount of the Certificates may either be calculated on the basis of a nominal amount or a specific reference price for the underlying (initial reference price) multiplied by a certain multiplier. The multiplier indicates how many units of the underlying a certificate represents. The multiplier can be expressed by a decimal figure so that a multiplier of e.g. 0.01 indicates that a certificate represents one hundredth of a unit of the underlying.

Certificates may have the following further features regarding the calculation of the cash amount:

Certificates with minimum redemption linked to a condition (e.g. Bonus Certificates)

The cash payment upon final maturity is based on the final reference price of the underlying at the valuation date (at the end of the valuation period) multiplied by the multiplier or, as the case may be, the performance of the underlying measured at the valuation date multiplied by the nominal amount. In contrast to a direct investment, the Final Terms of such Certificates do stipulate a lower barrier for the price of the underlying. If the price of the underlying does not reach or fall below the lower barrier during the valuation period, the minimum cash amount of the Certificates at final maturity does not depend on the performance of the underlying, but will be the Bonus Amount irrespective of how the underlying has performed.

Certificates with a reverse element

As a general rule, investors in such Certificates participate positively in a negative price development of the underlying and participate negatively in a positive price development (reverse participation). In other words, the lower the final reference price of the underlying at the end of the term, the higher the cash amount (subject to a cap or cap level). Conversely, the higher the final reference price of the underlying, the lower the cash amount.

However, in case of e.g. Reverse Bonus Certificates an upper barrier relating to the price of the underlying is defined in the Final Terms. Such upper barrier is set above the initial reference price (which is the current price of the underlying at the commencement of the lifetime of the Certificates. If the price of the underlying never reaches or exceeds the upper barrier during a defined observation period, the minimum cash amount per Certificate upon final maturity is not based on the performance of the underlying, but will be the Bonus Amount, irrespective of how the underlying has performed.

Certificates with maximum redemption (Cap), e.g. Discount Certificates

Certificates with maximum redemption (Cap) convey to the investor the right upon final maturity to payment of a cash amount that corresponds to the lower of the maximum amount and the final reference price of the underlying multiplied by the multiplier (or, as the case may be, the performance of the underlying determined on the basis of such final reference price multiplied by the nominal amount of the Certificates).

Certificates with conditional early redemption (e.g. Express Certificates)

In case of Certificates with conditional early redemption (e.g. Express Certificates) if on a particular valuation date the performance of the underlying on such valuation date reaches or exceeds the redemption level that is relevant on such valuation date, the Certificates will mature on such valuation date without any need for a separate termination of the Certificates by the Issuer. In this case the cash amount to be paid by the Issuer will be determined by reference to a fixed redemption factor allocated to such valuation date.

If such Certificates have not been redeemed on a valuation date prior to their maturity, the cash amount payable on maturity is calculated by reference to the final reference price of the underlying, its performance or such other variables as are specified in the relevant Final Terms for the Certificates.

Certificates with conditional physical delivery

In case of Certificates with conditional physical delivery, the Certificates may, subject to fulfilment of conditions set out in the Final Terms, be redeemed by delivery of a number of underlyings.

Outperformance Certificates

The Outperformance Certificates described in this Base Prospectus generally and subject to the provisions of the Final Terms entitle the investor the right upon final maturity to payment of a cash amount that is determined by reference to the initial reference price plus the difference between the relevant final reference price and the respective initial reference price multiplied by a participation factor. However, if the final reference price falls below the initial reference price, the cash amount payable on maturity is calculated by reference to the final reference price of the underlying, its performance or such other variables as are specified in the relevant Final Terms for the Certificates.

TwinWin Certificates

The TwinWin Certificates described in this Base Prospectus generally and subject to the provisions of the Final Terms convey to the investor the right upon final maturity to receive the nominal amount multiplied by the performance of the underlying, if the final reference price of the underlying is higher than the lower barrier. If the final reference price of the underlying is equal to or lower than the lower barrier, the cash amount will be determined as follows: (a) if the lowest price of the underlying at any time during the valuation period never is lower than the lower barrier, the cash amount is equal to the nominal amount multiplied by the difference between 100% and the performance of the underlying or, (b) if the lowest price of the underlying at any time during the valuation period is equal to or below the lower barrier, the cash amount is equal to the nominal amount multiplied by the performance of the underlying.

Open-End Certificates

Open-End Certificates are Certificates, which, in contrast to Certificates with a fixed term (so-called Closed End Certificates) do not have an expiration date and accordingly have no fixed term. Therefore, the Open-End Certificates of each Certificate Holder must in each case be exercised in accordance with the exercise procedure set forth in the Terms and Conditions of the Certificates. In the case of Open-End Certificates, the Issuer has the right to cancel and redeem the certificates early by giving notice subject to a term specified in the Certificate Conditions.

Worst Of Certificates

Certificates with a Worst Of Element include more than one underlying. If one of these underlyings reaches or, if the case may be, falls below a lower barrier the Redemption Amount payable on maturity is pursuant to the performance of the underlying which shows the worst performance over the term of the Certificates.

Best Of Certificates

Certificates with a Best Of Element include more than one underlying. If one of these underlyings reaches or, if the case may be, exceeds an upper barrier the Redemption Amount payable on maturity is pursuant to the performance of the underlying which shows the best performance over the term of the Certificates.

Certificates with interest payment

Certificates may contain interest payment. Beside a fixed interest rate the provisions of the Final Terms can allow for a floating interest rate or, as the case may be, a Minimum Interest Rate.

Certificates with combined structural elements

Certificates may also consist of other combinations of the structural elements described before (conditional minimum redemption, maximum redemption, conditional early redemption, physical delivery). In such cases the relevant Final Terms will specify the applicable structural elements.

INCOME FROM THE CERTIFICATES

Generally, the Certificates represent a right to payment of the cash amount at final maturity in accordance with the terms and conditions of the Certificates. Generally, they do not entitle their holders to receive dividend payments. However, the relevant Final Terms may provide for the payment of interests, calculated on the basis of fixed or floating interest rates. In this connection they may, as the case may be, even provide for a Minimum Interest Rate.

OFFERING METHOD, UNDERWRITERS AND ISSUE DATE OF THE CERTIFICATES

The Final Terms will provide information about the offering methods, the underwriters and issue dates for the Certificates

The relevant Final Terms will specify whether the Certificates will be offered continuously on the open market, whether the Certificates will be offered during a subscription period or whether any other offering method will be applicable. The issue price per Certificate will be specified in the relevant Final Terms and is payable on the issue date specified in the relevant Final Terms. The Issuer reserves the right to earlier close or to extend the subscription period if market conditions so require. After the issue date, the appropriate number of Certificates shall be credited to the investor’s account in accordance with the rules of the clearing agent specified in the Final Terms.

FORM AND TRANSFERABILITY OF THE CERTIFICATES

The Certificates are represented by one or more permanent global bearer certificate(s) and are deposited for clearing and settlement at the Clearing Agent specified by name and address in the Final Terms. No definitive Certificates will be issued. The Certificates are transferable in accordance with the rules and procedures of the Clearing Agent. No further restrictions on the transferability of the Certificates are applicable.

GOVERNING LAW

The form and content of the Certificates as well as all rights and duties arising from the matters provided for in these Conditions shall in every respect be governed by the laws of the Federal Republic of Germany.

CURRENCY

The Certificates will be issued in the Cash Currency specified in the Final Terms. The Cash Currency is the currency in which the cash amount will be paid.

ADMISSION TO TRADING

The relevant Final Terms will specify whether the Issuer intends to apply for inclusion of the Certificates to trading on a Stock Exchange and will specify, to the extent known to the Issuer, the earliest possible dates on which the Certificates will be admitted to trading. Certificates may also be issued on an unlisted basis.

TAX AND DUTIES

All taxes, fees or other duties incurred in connection with the payment of the cash amount will be borne by the holders of the Certificates.

INFORMATION ON THE UNDERLYING

Information on the underlying referenced by the Certificates will be included in the Final Terms. The Final Terms may contain specific risk factors relating to specific underlyings of the Certificates.

2. SUMMARY DESCRIPTION OF THE ISSUER

SELECTED FINANCIAL INFORMATION ABOUT THE ISSUER

The statutory auditor of the Issuer and Citigroup Global Markets Management AG, as the Issuer's managing general partner until the registration of the merger on 23 June 2010 was and respectively is

KPMG AG
Wirtschaftsprüfungsgesellschaft
Marie-Curie-Str. 30
D-60439 Frankfurt am Main.

The annual financial statements and management reports for fiscal year 1 December 2009 through 30 November 2010 as well as for fiscal year 1 December 2010 through 30 November 2011 as contained in the Issuer`s Registration Document dated 03 May 2012 were audited by the Issuer's statutory auditor and certified with an unqualified auditor's opinion. The Issuer`s Registration Document is incorporated in this Base Prospectus by reference.

The annual financial statements for fiscal years 2010 and 2011 were prepared in accordance with the provisions of the German Banking Act (*Kreditwesengesetz*), the Stock Corporation Act (*Aktiengesetz*) and the Commercial Code (*Handelsgesetzbuch*), and with the provisions of the Regulation on Financial Institution Accounting.

The Balance Sheet as of November 30, 2010 and the Income Statement for the fiscal year 2010 as well as the Balance Sheet as of November 30, 2011 and the-Income Statement for the fiscal year 2011 are printed on the following pages.

Annual Balance Sheet as of November 30, 2010
Citigroup Global Markets Deutschland AG, Frankfurt am Main

Assets	EUR	EUR	EUR	Nov 30 2009 TEUR
1. Cash reserve				
a) Petty cash		1.014,25		8
b) Credit balances held at central banks		7.341.508,32		10.769
of which: at the German Bundesbank (German central bank) EUR 7.341.508,32 (11/30/2009 TEUR 10.769)				
c) Credit balances held at Postgiro offices		-,--	7.342.522,57	0
2. Receivables from banks				
a) Due upon demand		1.420.324.346,59		2.644.538
b) Other receivables		2.100.140.160,66	3.520.464.507,25	6.145.068
3. Receivables from customers			379.516.010,44	476.438
of which: secured by mortgages and other real property security interests EUR -,-- (11/30/2009 TEUR -)				
Municipal loans EUR -,-- (11/30/2009 TEUR -)				
4. Debt securities and other fixed-income securities				
a) Money market paper				
aa) issued by government institutions	-,--			-
ab) issued by others	-,--	-,--		-
b) Bonds and debt securities				
ba) issued by government institutions	536.501.068,47			
of which: eligible as collateral with the German Bundesbank EUR 536.501.068,47 (11/30/2009 TEUR -)				
bb) issued by others	-,--	536.501.068,47	536.501.068,47	-
of which: eligible as collateral with the German Bundesbank EUR -,-- (11/30/.2009 TEUR -)				
c) Bank's own debt securities		-,--		-
Face value EUR -,-- (11/30/2009 TEUR -)				
5. Equities and other variable-yield securities			874.776.690,81	690.801
6. Equity investments			679.013,92	679
of which: in banks EUR 217.842,30 (11/30/2009 TEUR 218)				
in financial services institutions EUR -,-- (11/30/2009 TEUR -)				
7. Intangible assets			1.177.157,67	1.966
8. Tangible assets			2.920.821,86	5.166
9. Other assets			3.639.921.732,27	2.775.779
10. Prepaid and deferred items			1.014.755,47	429
Total Assets			8.964.314.280,73	12.751.641

Liabilities and Equity Capital

	EUR	EUR	EUR	Nov 30 2009 TEUR
1. Liabilities owed to banks				
a) Payable on demand		1.574.998.366,72		1.695.005
b) Having an agreed term or notice period		866.816.195,50	2.441.814.562,22	5.087.484
2. Liabilities owed to customers				
a) Savings deposits				
aa) having an agreed notice period of three months	-,--			0
ab) having an agreed notice period of more than three months	-,--	-,--		0
b) Other liabilities				
ba) payable on demand	1.016.699.863,66			1.165.863
bb) having an agreed term or notice period	229.192.634,51	1.245.892.498,17	1.245.892.498,17	473.057
3. Securitized liabilities				
a) Debt securities issued				
b) Other securitized liabilities		77.957.506,29		67.315
of which:				
Money market paper EUR -,-- (11/30/2009 TEUR -)				
Own acceptance and promissory notes outstanding EUR -,-- (11/30/2009 TEUR -)				
c) Miscellaneous securitized liabilities		651.217.029,90	729.174.536,19	556.544
4. Other liabilities			3.746.693.033,56	2.915.480
5. Deferred items			267.758,13	267
6. Accrued liabilities				
a) Pension and similar obligations		143.619.750,17		130.991
b) Tax accruals		-,--		
c) Other accrued liabilities		68.882.657,21	212.502.407,38	79.582
7. Equity capital				
a) Subscribed capital				
aa) registered share capital	210.569.889,00			210.570
ab) silent partner capital	122.710.051,49	333.279.940,49		115.894
b) Capital reserve	193.745.810,73	193.745.810,73		192.746
c) Earnings reserve				
ca) legal reserve	33.027.197,15			32.927
cb) reserve for treasury shares	-,--			0
cc) reserves required by the articles of association	-,--			0
cd) other earnings reserves	27.916.536,71	60.943.733,86		27.916
d) Unappropriated earnings/loss (balance sheet profit/loss)		-,--	587.969.485,08	-
Total liabilities and equity capital			8.964.314.280,73	12.751.641

	EUR	EUR	Nov 30 2009 TEUR
1. Contingent liabilities			
a) Contingent liabilities from credited but uncleared bills of exchange	-,--		-
b) Contingent liabilities from guarantees and warranty commitments	448.220.264,45		486.885
c) Contingent liabilities from security provided on behalf of third parties	-,--	448.220.264,45	-
2. Other obligations			
a) Commitment under fictitious repurchase (repo) agreements	-,--		-
b) Placement and underwriting commitments	-,--		-
c) Irrevocable lines of credit previously granted	960.294.312,89	960.294.312,89	773.777

Income Statement
for the Period of December 1, 2009 through November 30, 2010
Citigroup Global Markets Deutschland AG, Frankfurt am Main

	EUR	EUR	EUR	Jan 1, 2009-Nov 30, 2009 TEUR
1. Interest income from				
a) Loans and money market transactions	72.129.010,78			148.921
b) Fixed-income securities and debt register claims	63.013,58	72.192.024,36		
2. Interest expenses		61.355.517,98	10.836.506,38	138.157
3. Current income from				
a) Shares and other variable-yield securities		8.804.316,43		40.323
b) Equity investments		31.679,90		33
c) Interests in affiliated enterprises		-,--	8.835.996,33	-
4. Commission income		136.498.331,05		106.359
5. Commission expenses		10.906.286,95	125.592.044,10	4.070
6. Net income from financial trading operations			45.927.943,46	28.029
7. Other operating income			13.603.237,30	13.766
8. General administrative expenses				
a) Personnel expenses				
aa) wages and salary	53.234.975,53			61.522
ab) social security contributions, pension and welfare expenses	15.258.402,75	68.493.378,28		15.345
of which: for pensions EUR 11.098.850,93 (1/1/2009-11/30/2009 TEUR 10.771)				
b) Other administrative expenses		73.198.463,72	141.691.842,00	73.022
9. Depreciation, amortization and write-down of tangible and intangible assets			3.380.150,28	4.125
10. Other operating expenses			35.718,02	677
11. Write-downs of, and provisions for, receivables and certain securities and additions to loan reserves		4.756.351,44		-
12. Income from reversal of write-downs of receivables and certain securities, and income from reversal of loan reserves		-,--	./. 4.756.351,44	812
13. Write-downs of, and provisions for, equity investments, interests in affiliated enterprises and long-term securities		-,--		65
14. Income from the reversal of write-downs of equity investments, interests in affiliated enterprises and long-term securities		64.700,49	64.700,49	125
15. Results from ordinary operations			54.996.366,32	41.385

	EUR	EUR	EUR	Jan 1, 2009-Nov 30, 2009 TEUR
16. Income taxes (prior year income)		57.783,42		105
17. Other taxes, to the extent not included under item 10		-,--	57.783,42	-
18. Income from loss transfers			-,--	-
19. Profits transferred pursuant to a profit pooling, profit transfer or partial profit transfer agreement			54.938.582,90	41.490
20. Annual net income			-,--	-
21. Profit carried forward/loss carried forward from 2009			-,--	-
			-,--	-
22. Transfers from capital reserves			-,--	-
			-,--	-
23. Transfers from earnings reserves				
a) From legal reserve		-,--		-
b) From reserve for treasury shares		-,--		-
c) From reserves required by the bank's articles of association		-,--		-
d) From other earnings reserves		-,--	-,--	-
			-,--	-
24. Transfers from capital with participation rights			-,--	-
			-,--	-
25. Transfers to earnings reserves				
a) To legal reserve		-,--		-
b) To reserve for treasury shares		-,--		-
c) To reserves required by the Bank's articles of association		-,--		-
d) Other earnings reserves		-,--	-,--	-
			-,--	-
26. Replenishment capital with participation rights			-,--	-
27. Unappropriated earnings (balance sheet profit)			-,--	-

Annual Balance Sheet as of November 30, 2011
Citigroup Global Markets Deutschland AG, Frankfurt am Main

Assets	EUR	EUR	EUR	11/30/2010 TEUR
1. Cash reserve				
a) Petty cash		8.253,90		1
b) Credit balances held at central banks		6.725.279,54		7.341
of which: at the German *Bundesbank* (German Central Bank) EUR 6.725.279,54 (11/30/2010 TEUR 7.341)				
c) Credit balances held at post giro offices		-,--	6.733.533,44	0
2. Receivables from banks				
a) Due upon demand		2.071.643.423,40		1.420.324
b) Other receivables		572.429.689,34	2.644.073.112,74	2.100.140
3. Receivables from clients			411.369.559,95	379.516
of which: secured by mortgages and other real property security interests EUR -,-- (11/30/2010 TEUR -)				
Municipal loans EUR -,-- (11/30/2010 TEUR -)				
4. Debt securities and other fixed-income securities				
a) Money market paper				
aa) issued by government institutions	-,--			-
ab) issued by others	-,--	-,--		-
b) Bonds and debt securities				
ba) issued by government institutions	535.840.901,60			
of which: eligible as collateral with the German Bundesbank EUR 535.840.901,60 (11/30/2010 TEUR 536.501)				
bb) issued by others	-,--	535.840.901,60		
of which: eligible as collateral with the German Bundesbank EUR -,-- (11/30/2010 TEUR -)				
c) Bank's own debt securities		-,--	535.840.901,60	536.501
Face value EUR -,-- (11/30/2010 TEUR -)				
5. Equities and other variable-yield securities			0,00	874.777
5a Trading portfolio			5.054.720.250,32	-
6. Equity investments			679.013,92	679
of which: in banks EUR 217.842,30 (11/30/2010 TEUR 218)				
in financial services institutions EUR -,-- (11/30/2010 TEUR -)				
7. Intangible assets				
a) Internally generated industrial property rights and similar rights and assets		-,--		-
b) Paid-for concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets		325.014,46		1.177
c) Goodwill		-,--		-
d) Prepayments		-,--	325.014,46	-
8. Tangible assets			2.761.078,70	2.921
9. Other assets			32.875.909,41	3.639.922
10. Prepaid and deferred items			698.746,51	1.015
Total Assets			8.690.077.121,05	8.964.314

Liabilities and Equity Capital

	EUR	EUR	EUR	11/30/2010 TEUR
1. Liabilities owed to banks				
a) Payable on demand		1.503.624.962,65		1.574.998
b) Having an agreed term or notice period		20.505.577,60	1.524.130.540,25	866.817
2. Liabilities owed to clients				
a) Savings deposits				
aa) having an agreed notice period of three months	-,--			-
ab) having an agreed notice period of more than three months	-,--	-,--		-
b) Other liabilities				
ba) payable on demand	1.037.786.334,77			1.016.699
bb) having an agreed term or notice period	262.671.311,64	1.300.457.646,41	1.300.457.846,41	229.193
3. Securitized liabilities				
a) Debt securities issued				
b) Other securitized liabilities	75.517.339,90			77.958
of which:				
Money market paper EUR -,-- (11/30/2010 TEUR -)				
Own acceptance and promissory notes outstanding EUR -,-- (11/30/2010 TEUR -)				
c) Miscellaneous securities liabilities		75.517.339,90	75.517.339,90	651.217
3a Trading portfolio			5.031.667.640,36	-
4. Other liabilities			104.584.416,57	3.746.693
5. Deferred items			260.915,69	268
6. Accrued liabilities				
a) Pension and similar obligations		5.289.482,91		143.620
b) Tax accruals		-,--		
c) Other accrued liabilities		53.586.889,86	58.876.372,77	68.882
7. Funds for general bank risks as defined in § 340e (4) of the German Commercial Code			6.612.564,02	-
8. Equity capital				
a) Subscribed capital				
aa) registered share capital	210.569.889,00			210.570
ab) silent partner capital	122.710.051,49	333.279.940,49		122.710
b) Capital reserve	193.745.810,73	193.745.810,73		193.746
c) Earnings reserve				
ca) legal reserve	33.027.197,15			33.027
cb) reserve for treasury shares	-,--			0
cc) reserves required by articles of association	-,--			0
cd) other earnings reserves	27.916.536,71	60.943.733,86		27.916
d) Unappropriated earnings/loss (balance sheet profit/loss)			587.969.485,08	-
Total Liabilities and Equity Capital			8.690.077.121,05	8.964.314

	EUR	EUR	11/30/2010 TEUR
1. Contingent liabilities			
a) Contingent liabilities from credited but uncleared bills of exchange	-,--		-
b) Contingent liabilities from guarantees and warranty commitments	495.232.114,27		448.220
c) Contingent liabilities from security provided on behalf of third parties	-,--	495.232.114,27	-
2. Other obligations			
a) Commitment under fictitious repurchase (repo) agreements	-,--		-
b) Placement and underwriting commitments	-,--		-
c) Irrevocable lines of credit previously granted	977.359.060,48	977.359.060,48	960.294

Income Statement

for the Period of December 1, 2010 through November 30, 2011

Citigroup Global Markets Deutschland AG, Frankfurt am Main

	EUR	EUR	EUR	12/1/2009-11/31/2010 TEUR
1. Interest income from				
a) Loans and money market transactions	52.380.790,33			72.129
b) Fixed-income securities and debt registered claims	22.108.980,06	74.489.770,39		63
2. Interest expenses		45.511.836,61	28.977.933,78	61.356
3. Current income from				
a) Shares and other variable-yield securities		-,--		8.804
b) Equity investments		44.287,40		32
c) Interests in affiliated enterprises		-,--	44.287,40	
4. Commission income		150.781.999,11		136.498
5. Commission expenses		287.716,08	150.494.283,03	10.906
6. Net income from financial trading operations			59.513.076,13	45.928
included therein are deposits into special account per § 340g HGB EUR 6.612.564,02				
7. Other operating income			14.219.753,96	13.603
8. General administrative expenses				
a) Personnel expenses				
aa) wages and salaries	60.065.909,10			53.235
ab) social security contributions, pension and welfare expenses	4.713.449,34	64.779.358,44		15.258
of which: for pensions EUR 515.918,19 (12/1/2010-11/30/2011 TEUR 11,099)				
b) Other administrative expenses		72.046.978,69	136.826.337,13	73.199
9. Depreciation, amortization and write-down of tangible and intangible assets			2.002.406,72	3.380
10. Other operating expenses			10.224.756,04	36
11. Write-downs of, and provisions for, receivables and certain securities and additions to loan reserves		12.407.146,64		4.756
12. Income from reversal of write-downs of receivables and certain securities, and income from reversal of loan reserves		100.530,28	12.306.616,36	-
13. Income from the reversal of write-downs of equity investments, interests in affiliated enterprises and long-term securities			-,--	65
14. Results from ordinary operations			91.889.218,05	54.996
15. Extraordinary income			36.198.929,56	-
16. Extraordinary expenses			29.954.583,00	-
17. Extraordinary result			6.244.346,56	-
18. Taxes on income and earnings (eanings; prior year expense)		333.495,41		58
19. Other taxes, to the extent not included under item 10		-,--	333.495,41	-
20. Income from loss transfers			-,--	-
21. Profits transferred pursuant to a profit pooling, profit transfer or partial profit transfer agreement			98.467.060,02	54.938
22. Annual net income			-	-
23. Profit carried forward/loss carried forward from prior year			-,--	-
			-,--	-
24. Transfers from capital reserves			-,--	-
			-,--	-
25. Transfers from earnings reserves				
a) From legal reserve		-,--		-
b) From reserve for treasury shares		-,--		-
c) From reserves required by the Bank's articles of association		-,--		-
d) From earnings reserves		-,--	-,--	-
			-,--	-
26. Transfers from capital with participation rights			-,--	-
			-,--	-
27. Transfers to earnings reserve				
a) To legal reserve		-,--		-
b) To reserve for treasury shares		-,--		-
c) To reserve required by the Bank's articles of association		-,--		-
d) To other earnings reserve		-,--	-,--	-
			-,--	-
28. Replenishment capital with participation rights			-,--	-
29. Unappropriated earnings (balance sheet profit)			-,--	-

GOVERNING BODIES OF THE ISSUER

The Issuer is a public limited company (Aktiengesellschaft), which is organized under the laws of Germany. The sole shareholder is Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG.

The supervisory board of the Issuer consists of the following members:

- Hans W. Reich, Kronberg, Director, Chairman, having his business address at Reuterweg 16, 60323 Frankfurt am Main;
- Bradley Gans, London, Director, Deputy Chairman, having his business address at Citigroup Global Markets Ltd., Canary Warf, Canada Square, London, United Kingdom;
- Reiner Henszelewski, Frankfurt am Main, employee representative, having his business address at Reuterweg 16, 60323 Frankfurt am Main.

The executive board of the Issuer consists of the following members:

- Dr. Jasmin Kölbl-Vogt, Frankfurt am Main, Director, Legal Department, Secretary Office of the Board, Regulatory Issues and Human Resources;
- Dr. Nikolaus Närger, Stuttgart, Director, Strategy, Business Planning, Corporate Banking, Asset Finance Products and Global Transaction Services;
- Stefan Wintels, Frankfurt am Main, Director, Investment Banking; Banking – Financial Institutions & Public Sector and Customer Strategy (Banking);
- Christian Spieler, Frankfurt am Main, Director, Fixed Income Product, Share and Warrant Business, Alternative Investments, Asset Finance Products, Bond Issues and Risk Treasury;
- Heinz Peter Srocke, Hanau, Director, Treasury/Liquidity Management, Risk Management / Credit Processing, Accounting and Tax Department;
- Samuel Riley, Frankfurt am Main, Director, Internal Business/Banking Organization, Clearing and Settlement (Securites/Payments), Asset Finance Operations, IT and Operational Risk & Controlling;

all having their business address at Reuterweg 16, 60323 Frankfurt am Main.

The following persons hold the following jobs unrelated to the Issuer, which are significant with respect to the Issuer:

Hans W. Reich: Member of the supervisory board of Aareal Bank AG

MEMBERSHIP IN THE GERMAN SUBGROUP OF CITIGROUP

The Issuer is a member of the German subgroup of Citigroup. As a public limited company, it is managed by the executive board. The Issuer is wholly-owned by the German holding company, Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG, a limited partnership with registered offices in Frankfurt/Main.

Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG is also a silent partner of the Issuer, having a silent equity interest ("Stille Einlage") totalling EUR 122,710,051.49 as of 30 November 2011.

The general partner of Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG is Citigroup Global Markets Finance LLC (USA). The sole limited partner is Citi Overseas Investment Bahamas Inc.

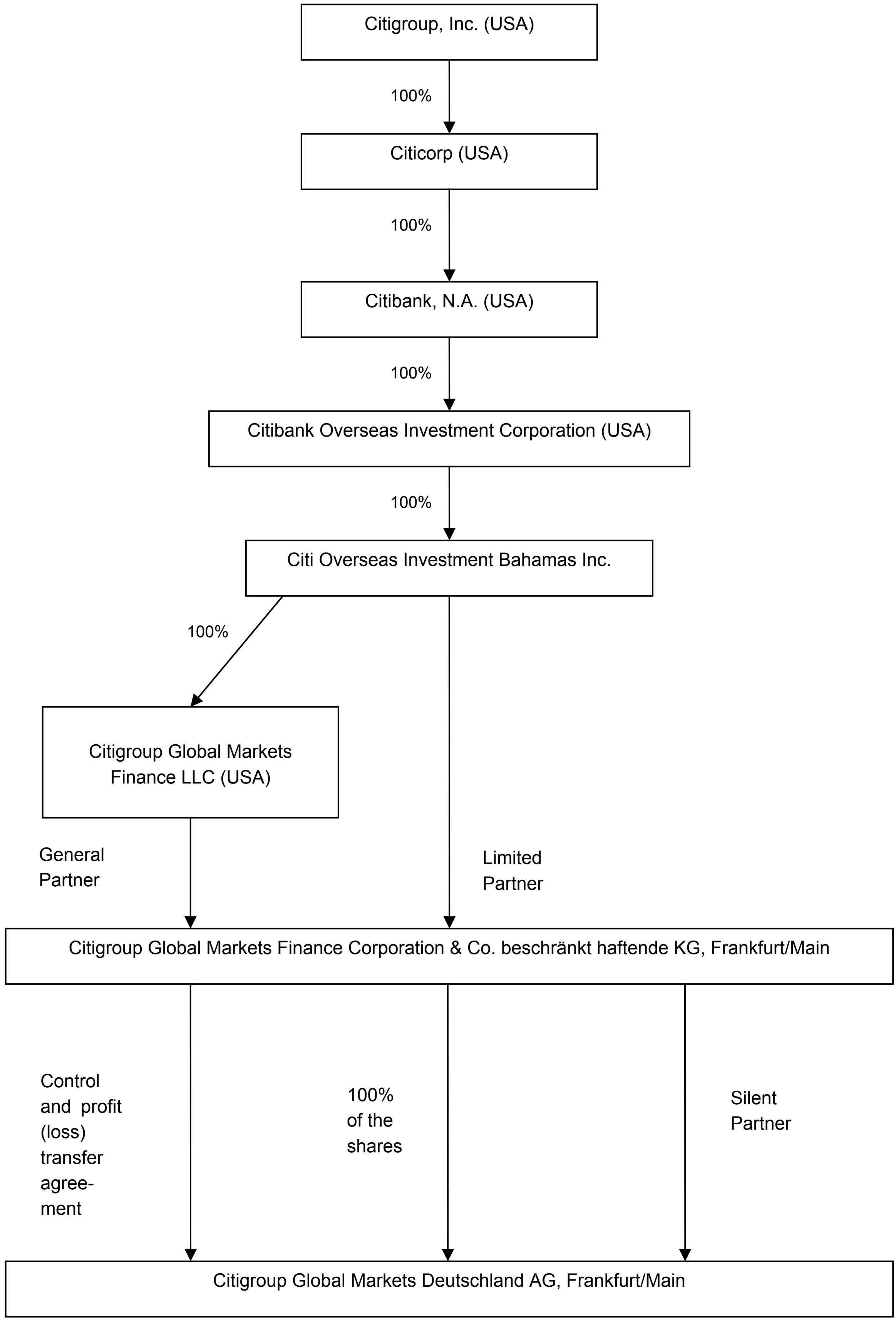
All shares of Citigroup Global Markets Finance LLC are held by Citi Overseas Investment Bahamas Inc., the sole shareholder of which is Citibank Overseas Investment Corporation (USA). This company is in turn wholly-owned by Citibank, N.A. (USA). Citibank, N.A. (USA) is a wholly-owned subsidiary of Citicorp (USA), which in turn is a wholly owned subsidiary of Citigroup, Inc. (USA).

In addition to the integration of the Issuer into the Citigroup Inc. Group, a control and profit (loss) transfer agreement has been executed by the direct parent company and the Issuer.

According to the aforementioned agreement, the Issuer has surrendered the managerial control of its respective enterprises to the direct parent company. Accordingly, the direct parent company is authorised to issue directives and instructions to the Issuer.

Moreover, the Issuer is obligated under the agreement to transfer its entire profit to Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG. As consideration for the transfer, Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG is obligated pursuant to § 302 (1) and (3) of the German Stock Corporation Act ("*AktG*") to indemnify any annual net loss, which the Issuer incurs during the term of the agreement.

Schedule: Affiliation of the Issuer with the German subgroup of Citigroup



HISTORY OF THE ISSUER

Prior to the merger of Citigroup Global Markets Deutschland GmbH with Citibank AG & Co. KGaA on 12 September 2003, the Issuer conducted business under the name Citibank AG & Co. KGaA.

Citibank AG & Co. KGaA emerged from the organic restructuring of Citibank Aktiengesellschaft on 4 August 2003. Citibank Aktiengesellschaft had operated under this name since 7 October 1992 and, prior thereto, had conducted business as Citibank Invest Kapitalanlagegesellschaft mbH. In connection with the reorganisation of the Citicorp companies in Germany, Citibank Invest Kapitalanlagegesellschaft took over the banking operations from the former Citibank AG, which was then renamed Citibank Beteiligungen Aktiengesellschaft.

Citigroup Global Markets Deutschland GmbH emerged on 4 August 2003 from an organic restructuring of Citigroup Global Markets Deutschland AG, which until 4 April 2003 had traded under the name of Salomon Brothers AG. Upon the merger of Citigroup Global Markets Deutschland GmbH into Citibank AG & Co. KGaA, any and all rights and duties of Citigroup Global Markets Deutschland GmbH passed automatically to Citibank AG & Co. KGaA as the universal legal successor (*Gesamtrechtsnachfolger)*. Citigroup Global Markets Deutschland GmbH was dissolved.

Spin-off agreement 2008

Prior to the reorganisation of the German part of Citigroup in 2008, which is described in more detail below, the sole shareholder of both the Issuer, formerly Citigroup Global Markets Deutschland AG & Co. KGaA, and the former general partner of the Issuer, Citigroup Global Markets Management AG, was Citicorp Deutschland GmbH, which in turn was a wholly-owned subsidiary of Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG. Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG committed to transfer, inter alia, all of its shares in Citicorp Deutschland GmbH to a third party. However, the Issuer, formerly Citigroup Global Markets Deutschland AG & Co. KGaA, and its former general partner, Citigroup Global Markets Management AG, were explicitly excluded from this transfer.

In order to retain the Issuer, formerly Citigroup Global Markets Deutschland AG & Co. KGaA, and its former general partner, Citigroup Global Markets Management AG, within the German Citigroup Group a spin-off was carried out. Citicorp Deutschland GmbH agreed to transfer to Citigroup Global Markets Finance Corporation & Co. beschränkt haftende KG with retroactive effect as of 2 January 2008 (i) all shares in the Issuer, (ii) all shares in the Issuer's former general partner, (iii) the control and profit (loss) transfer agreement between Citicorp Deutschland GmbH as controlling entity and the Issuer as controlled entity, (iv) the control profit (loss) transfer agreement between Citicorp Deutschland GmbH as controlling entity and the Issuer's former general partner as controlled entity, and (v) the silent partnership agreement between Citicorp Deutschland GmbH as silent partner and the Issuer. The spin-off agreement has become effective on 25 September 2008.

The sole managing general partner of the Issuer was Citigroup Global Markets Management AG, Frankfurt am Main. The sole limited shareholder was Citigroup

Global Markets Finance Corporation & Co. beschränkt haftende KG, which was also the sole shareholder of Citigroup Global Markets Management AG.

Change in legal form of the Issuer and merger of its former general partner 2010

On September 17, 2009, Citigroup Global Markets Deutschland AG & Co. KGaA has changed its fiscal year by resolution of the General Meeting. With effect from December 1, 2009, the fiscal year now begins on 1 December of each year and ends on 30 November of the following year. The reporting year 2009 therefore is a shortened fiscal year which began on January 1, 2009 and ended on November 30, 2009.

In order to simplify the current group structure in Germany and to achieve associated reductions in costs, the annual general meeting of the Issuer further resolved on April 21, 2010 to transform the Issuer into a public limited company (Aktiengesellschaft) under German law and henceforth operate under the name Citigroup Global Markets Deutschland AG. The change in legal form became effective on June 10, 2010 when it was filed in the commercial register.

In addition and following the change in legal form of Citigroup Global Markets Deutschland AG & Co. KGaA, Citigroup Global Markets Management AG was merged with the Issuer. Upon completion of the merger, which became effective on June 23, 2010 when it was filed in the commercial register, Citigroup Global Markets Management AG as the Issuer's former general partner ceased to exist. All rights and obligations passed automatically to the Issuer as its universal legal successor (Gesamtrechtsnachfolger).

Following the change in legal form and the merger, all creditors of Citigroup Global Market Deutschland AG & Co. KGaA and Citigroup Global Markets Management AG are, and will be entitled to demand payment of a security, provided they (i) lodge their claims against Citigroup Global Market Deutschland AG & Co. KGaA (in case of the change in legal form) or Citigroup Global Markets Management AG respectively the Issuer (in case of the merger) in writing and (ii) show credibly that the satisfaction of their claims is endangered by the change in legal form or the merger, in each case within six months following the date of the publication of the registration of the change in legal form or the merger in the commercial register.

BUSINESS OVERVIEW

The Issuer operates the corporate and investment banking business, offering companies, governments and institutional investors comprehensive financial strategies in investment banking, fixed income, foreign exchange, equities and derivatives, and global transaction services. In addition, it is also a major issuer of warrants and certificates, the final acquirers of which are private customers.

BUSINESS WITH AFFILIATED ENTERPRISES

The majority of the Issuer's brokerage commission income is income from transfer pricing arrangements, which the Issuer receives for brokering transactions between the Issuer's customers and the various Citigroup companies. The Issuer's costs arising from the exchange of services with other individual Group companies is reimbursed through transfer pricing in accordance with existing contracts. Under this arrangement, the various costs and income are calculated and then allocated to the relevant service provider. Such income relates above all to brokerage commission income and income for transactions executed as part of equities trading, the underwriting business, corporate finance and the sale of structured products, corporate derivatives, foreign exchange management products and global relationship banking and on which the Issuer acted as an adviser in connection with the sales activities. The Issuer enjoys a close working relationship in all areas, above all with Citigroup Global Markets Limited, London, and Citibank, N.A., London.

The income generated by brokering transactions entails no risks of credit default and market price.

FINANCIAL CONDITION AND OUTLOOK FOR THE COMPANY

The Eurozone is likely to endure a new recession inasmuch as the gross domestic product shrank in the fourth quarter of 2011 and will probably continue shrinking in 2012 and 2013. The Bank expects a decline in real GNP of 1.2% in 2012.

The global economy should also cool down in 2012, but there will be significant differences between the various regions. Based on GDP growth of 4.2% in 2010 and 3.0% in 2011, the Bank is projecting global GDP growth to decline to 2.5% for 2012, but expects a slight recovery in 2013 as growth climbs to 3.1%. The Bank is projecting the highest regional growth rates for the emerging markets of Asia, Latin America, Africa and the Mid East at 5.1% in 2012 and 6.0% in 2013.

In the Warrants and Certificates Division, the Bank is anticipating a difficult market environment, but is nevertheless expecting a profit for 2012.

Given the forecasts made by the individual business divisions and a restrictive cost management approach, the Bank is expecting profits in fiscal years 2012 and 2013, but they will be lower than the profits earned in fiscal year 2011 due to the overall economic uncertainty.

No significant events have occurred since the date of the last financial statements.

The Issuer hereby declares that there have been no material adverse changes in the prospects of the Issuer since the date of its last audited financial statements, i.e. 30 November 2011.

There are no governmental interventions, legal proceedings or arbitration proceedings pending or threatened against the Issuer, which have been instituted against it and which may have or have had within the last twelve months significant effects on its financial condition or profitability.

OTHER INFORMATION

The Issuer is entered in the Commercial Register of Frankfurt am Main under registration number HRB 88301.

The Issuer employed an average of 351 staff members in fiscal year 2011.

3. SUMMARY DESCRIPTION OF RISK FACTORS

Set out below is a summary of the different risk factors associated with an investment in the Certificates issued under this Base Prospectus. When deciding whether or not to invest in the Certificates, potential investors should consider all information contained in this Base Prospectus and, if necessary, consult their legal, tax, financial or other advisor.

3.1 RISKS RELATING TO THE ISSUER

RISK THAT THE ISSUER WILL PROVIDE LIMITED OR NO PRICE QUOTES

The Issuer's voluntary intention to quote buying or offered prices is of fundamental importance to certificate holders who wish to have the ability to sell the certificates at any time prior to expiry. Accordingly, one of the largest risks you face is that the Issuer will limit or completely renege on its voluntary intention to quote prices. The same applies in the event that the exchange listing of the instrument is suspended prematurely.

RISK OF DISRUPTED SECURITIES CLEARING AND SETTLEMENT OR DISRUPTED EXCHANGE TRADING

Where certificates are sold by the Issuer or through a stock exchange or where certificates are transferred to the Issuer as a prerequisite for exercise, the Issuer will be unable to settle the securities delivery without the support of such institutions as securities depositaries or stock exchanges. If the ability of such institutions to provide their clearing and settlement services is impaired, then, for the period of such disruption, the Issuer will not be able to deliver on any trades. The same applies in the event such disruptions occur at the certificates holder's custodian bank.

LEGAL RISKS ARISING FROM THE ISSUED SECURITIES

The Issuer's financial strength could be jeopardised if material components of agreements entered into with third parties prove to be invalid or unenforceable in key respects.

This could occur, for example, if a number of investors purchased the Issuer's publicly offered or exchange-listed securities (in respect of which a prospectus was published in a Member State of the European Union on or after 7 July 2005 in accordance with the relevant national laws enacted to implement the EU Prospectus Directive 2003/71/EC) and then exercised their right to withdraw pursuant to the domestic equivalent of Article 16 (2) of the EU Prospectus Directive 2003/71/EC. Withdrawal would be possible on this basis if material facts in the prospectus for securities issued by the Issuer after 1 July 2005 were incorrect or incomplete, or such facts arose after the prospectus was published and needed to be addressed in a supplement.

Furthermore, the Issuer's financial strength could be jeopardised as a result of claims based on liability for the contents of the prospectus ("prospectus liability") if material facts are negligently omitted or incorrectly described in the Issuer's prospectus and such negligence causes injury or damage to a large number of investors.

In accordance with Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses, the last two years' audited historical financial information in any prospectuses prepared by the Issuer on or after 1 July 2005 pursuant to the national laws enacted to implement the EU Prospectus Directive 2003/71/EC must be presented and prepared in a form consistent with that which will be adopted in the Issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements. If, despite best efforts made, it is impossible for the Issuer to predict or seasonably implement such future changes, then there is a possibility that investors may withdraw from their transactions or enforce claims based on prospectus liability. In such cases, the Issuer could suffer considerable losses. Moreover, it is conceivable that an ongoing public offer and exchange listing of the securities in question will be suspended if the requirements for a continued listing are no longer met because of a delay in implementing accounting standards as described above. As a result thereof, the Issuer could sustain losses from compensatory damage claims enforced by investors, or the investors could lose the intrinsic value of their warrants if they cannot enter into an off-exchange warrant transaction with the Issuer because of a certain restriction under the public offering.

The Issuer has granted a loan to a financial service company in Kazakhstan. The total value of this loan equals approximately EUR 74.5 million per 30.11.2011. The Issuer has essentially hedged the risk that this loan will not be serviced in accordance with the contractual obligations by issuing bonds, which provide that the Issuer is obligated to make payment only to the extent that it receives payment from the borrower. If the contractual obligations under the bonds unexpectedly require that the Issuer make payments to the bond holders, even though no corresponding payments were received from the borrower, then the Issuer could face liquidity problems. The explanations regarding prospectus liability and the right to withdraw as described in the first two paragraphs above also apply *mutatis mutandis* to the bonds.

LIQUIDITY RISK DESPITE CONTROL AND PROFIT (LOSS) TRANSFER AGREEMENT

The Issuer belongs to the Citigroup Inc. Group. The Issuer and its direct parent company are parties to a control and profit (loss) transfer agreement, which is described more specifically below.

Under the control agreement, the Issuer's management is subject to the direction of the direct parent company. Profits must be transferred to the direct parent company, and losses must be indemnified by the direct parent company.

Pursuant to §§ 301 et seq. of the German Stock Corporation Act ("AktG"), the profit transfer or loss indemnity obligation arises only after the annual financial statements for the relevant fiscal year have been approved. If, during the fiscal year, the Issuer faces liquidity bottlenecks, then - despite the control and profit (loss) transfer agreement - the Issuer may not be able to discharge its obligations under the issued securities in a timely manner or at all.

Despite the control and profit (loss) transfer agreement, the Issuer may be unable to meet its obligations under the securities if the Issuer generates a net loss and the direct parent company, which is required to indemnify the loss, is unable or unwilling to meet its contractual obligations as a result of its own liquidity problems or over-indebtedness.

BROKERING TRANSACTIONS FOR OTHER GROUP COMPANIES AND ALLOCATION OF WORK AMONG CITIGROUP COMPANIES

The majority of the Issuer's brokerage commission income is income from transfer pricing arrangements, which the Issuer receives for brokering transactions between the Issuer's customers and the various Citigroup companies. The Issuer's costs arising from the exchange of services with other individual Group companies is reimbursed through transfer pricing in accordance with existing contracts. Under this arrangement, the various costs and income are calculated and then allocated to the relevant service provider. Such income relates above all to brokerage commission income for transactions executed as part of equities trading, the underwriting business, corporate finance and the sale of structured products, corporate derivatives, foreign exchange management products and global relationship banking and on which the Issuer acted as an adviser in connection with the sales activities. The Issuer enjoys a close working relationship in all areas, above all with Citigroup Global Markets Limited, London, and Citibank, N.A., London.

If a decision is taken within the Citigroup Group that the responsibilities in question should be redistributed among other Group companies, then the Issuer could lose a significant source of income.

PROPRIETARY TRADING RISKS RELATED TO DERIVATIVE SECURITIES ISSUED BY THE ISSUER

The most important trading risks in certificates trading and/or in the issuance of other derivative instruments by the Issuer are the settlement and/or replacement risks associated with the Issuer's counterparties (specifically the end customers' own banks or brokers) when clearing and settling trades, and the risks that remain after extensive hedging of open positions, which were entered into when the securities were issued.

In order to cover the open positions resulting from the issued securities, the Issuer will execute hedging transactions, which are linked to various risk variables in the risk model used by the Issuer. At best, the Issuer can to a large extent close out the open risk positions resulting from the issued securities, but it will be unable to close them out completely or enter into matching positions for all open positions.

If a counterparty of the issuer defaults, and such counterparty also happens to be one of the Issuer's important sales partners, clearing and settling a large number of customer transactions with the Issuer each day, then there is a risk that hedging transactions, which are entered into by the Issuer before completing the relevant trade in order to close out a risk position arising from transactions in its own securities previously executed with such party, will not be closed as expected because of the counterparty's default, but instead will remain open and therefore will still need to be closed out.

Likewise, the default of one of the Issuer's other counterparties with whom a large number of hedging transactions have been executed could also expose the Issuer to replacement risks.

RISKS IN THE CREDIT BUSINESS

The Issuer's credit portfolio consists primarily of international customers in the industrial and financial services sectors with a first class credit rating. Due to this business policy credit default has been avoided in recent years. The credit portfolio focuses mostly on a manageable number of borrowing entities. If any of the Issuer's key borrowers fail to meet their obligations, then risk provisioning or loan defaults could conceivably increase significantly.

Approximately EUR 74.5 million per 30.11.2011 in loan to a Kazakh financial service company has been refinanced through bonds issued on the capital markets. The Issuer has hedged the risk that this loan will not be serviced in accordance with the contractual obligations (specifically the payment of interest and principal) by issuing bonds, which provide that the Issuer is obligated to make payment only to the extent that it receives payment from the borrower. The Issuer's default risks have thereby been transferred to investors. See also "Legal risks arising from the issued securities" regarding the legal risks of the issued bonds.

RISKS OF INTEREST RATE CHANGES

Treasury assesses and controls the Issuer's interest rate risk. The Issuer's exposure to changes in interest rates is a mid to long-term risk and primarily affects holdings in liquid securities that were not originally covered by hedging transactions like interest rate swap agreements. The securities may be sold on short notice. A significant risk from interest rate changes could arise where interest rates are not monitored in a timely or sensitive manner, which could produce the concomitant danger that action to cover such interest rate exposure is not taken early enough.

OPERATING RISK

The Issuer has outsourced many functions that are essential for duly managing and controlling its transactions and the risks resulting therefrom to other companies within and outside the Citigroup Group. If the companies to which such functions have been outsourced fail to discharge their contractual obligations within the prescribed time or at all, then this could also impair the Issuer's ability to seasonably meet its own obligations under the issued securities.

TAX RISKS

The tax assessment notices served on the Issuer and/or on the company that was absorbed by the Issuer in 2003 as part of a merger (formerly Salomon Brothers AG) are typically provisional and made subject to an audit by the German tax authorities or a decision on specific issues by the relevant courts. This is a common procedure that allows tax authorities – in connection with a tax audit or following a general tax ruling by a competent tax court - to levy additional taxes years after a tax assessment was issued.

GENERAL BUSINESS RISKS

The Issuer's general business risks include any and all risks that do not qualify as either a market risk, a counterparty risk or a liquidity risk, such as

- SETTLEMENT RISK
  The risk that a business transaction is incorrectly processed or that a transaction is executed which is different from the intentions and expectations of the bank's management.

- INFORMATION RISK

  The risk that information, which was generated, received, transmitted or stored within or outside the Issuer's place of business, can no longer be accessed. Furthermore, such information may be of poor quality, or have been wrongly handled or improperly obtained. The information risk also includes risks that are generated by systems and used for processing information.

- REPUTATION RISK

  This represents the Issuer's risk that its relations with its customers could be harmed if its services are poor or transactions are incorrectly executed. This risk also includes the risk of entering into business relations with counterparties, whose business practices do not conform to the standards or business ethics of the Issuer.

- PERSONNEL RISK

  The Issuer has a high demand for qualified and specially trained professionals and managers. Personnel risk entails the risk of high staff turnover and the risk that the Issuer will be unable to retain a sufficient staff of qualified personnel, as well as the risk that the Issuer's employees may knowingly or negligently violate established regulations or the firm's business ethics standards.

- LEGAL AND REGULATORY RISKS

  The Issuer views legal risks as any and all risks resulting from binding contracts and governing legislation. Regulatory risks result from the legal environment in which the Issuer does business.

3.2 RISKS RELATING TO THE CERTIFICATES

Prospective investors should understand the risks associated with an investment in the Certificates and shall only reach an investment decision, after carefully considerations with their legal, tax, financial and other advisers of (i) the suitability of an investment in the Certificates in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and in the relevant

Final Terms (including any risk factors specific to the underlying as included therein) and (iii) the underlying.

The main risks relating to the Certificates are summarised below and may have adverse effects on the performance of the securities. Moreover, other risks which are unknown at present or considered immaterial may also have adverse effects on the value of the securities.

SUMMARY OF COMMON RISK FACTORS ASSOCIATED WITH ALL TYPES OF CERTIFICATES CONTAINED IN THIS BASE PROSPECTUS

- Risk of losing entire investment: The Certificates are high-risk investment instruments. Investing in the Certificates means risking the loss of some or even all of your invested capital. Given transaction and financing costs, the risk of losing capital can extend beyond the price paid for the Certificates themselves.

- Financing risk: If you borrow money to finance the acquisition of the Certificates, you should not rely on being able to repay the loan principal and interest out of profits made on the Certificates.

- No dividend payments: Since the Certificates will not include the right for any dividend, any decrease in the value of the Certificates cannot be compensated by dividend income generated from the Certificates.

- Loss or limitation of interest payment provided for in the provisions of the Final Terms: The interest payment, which can be provided for in the Final Terms, may under certain circumstances, e,g, an adverse performance of the underlying, be omitted; potential interest payments may be limited to a maximum amount. Any decrease in the value of the Certificates cannot be compensated by interest income generated from the Certificates.

- Change in certificate price over term: During their term, the price of the Certificates may change to the detriment of the investor as a result of changing market conditions (volatility, interest rates, expected dividend, if applicable, on the underlying or components thereof and other factors influencing the Issuer’s pricing model).

- Change in the price of the Certificates as a result of adjustment or substitution of the underlying: under certain circumstances the Issuer may replace the underlying. Such a replacement will affect the cash amount payable under the Certificates on their scheduled repayment date and also the price of the Certificates during their term.

- Adjustment of price during the term in line with payment profile at final maturity based on declining residual maturity: the effect of pricing factors over the term of Certificates tailing off by final maturity at the latest will not necessarily reduce on a linear basis up to final maturity of the Certificates. If the term of the Certificates is limited, you cannot rely on the price recovering from losses prior to the final maturity of the Certificates.

- Currency risk: If the underlying(s) are denominated in a currency other than the Cash Currency of the Certificates or the currency in which the Certificates are traded either on or off the stock exchange, you run the risk of a loss caused by conversion of the currency of the underlying into the Cash Currency of the Certificates or into their trading currency. When purchasing Certificates with a "quanto" element, you must bear in mind that the purchase price of the Certificate includes costs related to such "quanto" hedging.

- Secondary market in Certificates: Under normal market conditions, it is the Issuer’s intention to regularly quote bid and ask prices for the Certificates. Nevertheless, the Issuer assumes no legal obligation whatsoever to holders of Certificates that it will quote such prices or that such prices are reasonable or will be accepted by the market. Even if the Certificates are listed, it cannot be guaranteed that the listing will be permanently maintained. Therefore, you should not rely on being able to sell the Certificates at a certain time or at a certain price during their term.

- Restricted secondary trading if electronic trading systems are not available: If the electronic trading system used by the Issuer for trading in the Certificates were to become partially or completely unavailable, such a development would have a corresponding effect on the tradability of the Certificates.

- No Secondary market immediately prior to final maturity: Trading in Certificates ends shortly before their scheduled repayment date. Any factor relevant for the determination of the cash amount of the Certificates could however still change between the last (exchange) trading date and the scheduled repayment date (including that a relevant barrier may be breached) and such changes may not be in your favour.

- Risk associated with estimating the price of the underlying if its home market is closed while secondary trading in the Certificates takes place: The price of the underlying may need to be estimated if the Certificates referenced to the underlying are traded at a time when the market for the underlying is closed. Such estimate may prove to be accurate, too high or too low within just a few hours of the home market reopening for trade in the underlying. Correspondingly, the prices quoted by the Issuer for the Certificates prior to the opening of business on the home market of the underlying may subsequently prove to be too high or too low.

- Hedging transactions by the Issuer: In order to hedge its obligations arising from the Certificates, the Issuer continually trades in the underlying, in derivatives referenced to the underlying, or in other underlyings or derivatives that influence the price of the underlying or whose price or volatility closely tracks the price movement or volatility of the underlying. Such hedging transactions have the potential to amplify or trigger changes in the price of the underlying or the volatility of the underlying.

- Effect of the liquidity of the underlying on pricing for the Certificates: The less there is liquidity in the underlying or the greater the spread is between bid and ask prices for the underlying or the derivatives referenced thereto, the higher the Issuer's hedging costs in relation to the Certificates (which are incorporated in the bid and ask prices quoted by the Issuer for the Certificates) tend to be.

- Transactions that exclude or limit risks: Do not rely on being able to enter into transactions through which you can exclude or limit the risks associated with the Certificates.

- Risk of default by the Issuer: If the Issuer becomes insolvent, you may suffer a loss, potentially of your entire investment, irrespective of any favourable development of the other value determining factors, such as the development of the underlying. The Certificates are no bank deposits and therefore not covered by a deposit protection scheme (*Einlagensicherungsfonds*).

- Potential conflicts of interest: Activities of the Issuer, its affiliated enterprises (if applicable) or other companies belonging to, or affiliated with, Citigroup Inc. may give rise to conflicts of interest and may affect the price of the underlying or the Certificates referenced to the underlying.

- Influence of market disruptions on price at final maturity/in secondary trading: Market disruptions (which will be set out for the Certificates in the relevant Final Terms) may temporarily or permanently restrict the saleability of the Certificates, make them more expensive or saddle them with an additional price risk, particularly if the price of the underlying develops negatively in such a situation.

- Postponement of redemption due to force majeure or political risk: In the event that the Issuer is not actually or legally in a position to fulfil its liabilities under the Certificates in a legally admissible fashion in Frankfurt am Main or at the place of the respective redemption, the due date of such liabilities will be postponed until the date on which it is actually or legally feasible for the Issuer to fulfil its liabilities in Frankfurt am Main. Holders of the Certificates will not be entitled, as a result of such postponement, to enforce any rights against assets of the Issuer located in Frankfurt am Main or elsewhere.

- Termination of the Certificates in case of disruptions of convertibility: In case of occurrence of a so-called disruption of convertibility, the issuer is entitled to terminate the certificates and to redeem them at their fair market value. The risk of occurrence of a disruption of convertibility particularly exists with respect to Certificates with an underlying referring to financial instruments or to the statutory currency of emerging markets. In case of a termination, the Certificates may be redeemed early at their fair market value, which may be lower than the price at which the Certificates have been bought.

- The capital protection only applies at the end of the term of the Securities: As far as specified in the relevant Final Terms the Certificates are as at the end of their term capital protected, i.e. the investor receives at the end of the term disregarding the actual performance of the Underlying in any case a minimum repayment amount. If an investor acquires the Certificates after the issue at a price, which is higher than the minimum repayment amount, the prospective investor should be aware that the (proportional) capital protection only refers to the lower minimum repayment amount. In this context, it has to be considered that the capital protection only applies at the end of the term, i.e. provided that the Certificates have not been terminated. The amount to be paid in case of an early redemption of the Certificates can be considerably below the amount, which would be payable as a minimum at the end of the term of the Certificates, where the capital protection applies to the extent of the minimum repayment amount. Potential investors of the Certificates should furthermore recognise that despite the capital protection to the extent of the relevant minimum repayment amount, the investor bears the risk of the Issuer's financial ability. Prospective investors must therefore be prepared and able to sustain a partial or even a total loss of the capital invested. Purchasers of the Certificates should in any case assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Certificates.

SPECIFIC RISK FACTORS ASSOCIATED WITH THE DIFFERENT STRUCTURAL ELEMENTS OF CERTIFICATES

Certificates with minimum redemption linked to a condition (e.g. Bonus Certificates)

If the lowest price of the underlying reaches or falls below the lower barrier during the term of the Certificates, you are exposed to the same risks that would be applicable to a direct investment in the underlying. Accordingly, you can even lose your entire investment. These consequences apply even if the lower barrier is breached due to a market disruption and even if the lower barrier has only been breached for a short period or on one occasion since the beginning of the valuation period.

The price of the Certificates may deteriorate if the price of the underlying moves close to the lower barrier.

There is also the risk that the lower barrier will be breached while you are unable to sell your Certificates on the secondary market due to limited regular trading hours, in particular if the trading hours for the Certificates differ from the regular trading hours for the underlying used as the basis for determining whether or not the lowest price of the underlying has breached the lower barrier.

Certificates with a reverse element

Investors in Certificates with a reverse element participate positively in a negative price development of the underlying and participate negatively in a positive price development (reverse participation). In other words, the lower the final reference price of the underlying at the end of the term, the higher the cash amount (subject to a cap or cap level). Conversely, the higher the final reference price of the underlying, the lower the cash amount. In the case of proportional participation at participation factor of 100% in the price development of the underlying, this means that if the price of the underlying rises by 100% or more, no cash amount at all is payable at final maturity and the investor loses the entire investment. In addition, the potential return under Certificates with a reverse element, as a principle rule, limited, since the negative performance of the Underlying may not exceed 100 %.

The price of the Certificates with a reverse element and an upper barrier may deteriorate if the price of the underlying moves close to the upper barrier.

Certificates with maximum redemption (Cap) (e.g. Discount Certificates)

In case of Certificates with maximum redemption (Cap) you can not fully participate in the performance of the Underlying, because the return is limited by the cap or the maximum redemption amount. Furthermore, such Certificates involve the risk that, upon final maturity, you may lose some or all of your investment if the final reference price has fallen below the purchase price paid for the Certificate, or even to zero in addition.

The price of the Certificates with a maximum redemption and a lower barrier may deteriorate if the price of the underlying moves close to the lower barrier.

Certificates with conditional early redemption (e.g. Express Certificates)

Certificates with conditional early redemption involve the risk that, if the underlying reaches or exceeds the redemption level applicable on one of the specified valuation dates, the Certificates will be repaid early following such specified valuation date and you will no longer be able to participate in the positive performance of the underlying in full. If the underlying price decreases materially or even becomes zero, you will lose a substantial part or even all of your investment.

The price of the Certificates with a conditional early redemption and a lower barrier may deteriorate if the price of the underlying moves close to the lower barrier.

Certificates with conditional physical delivery

Because delivery of the Underlying will be made within a number of Bank Business Days defined in the Terms and Conditions after the valuation date (subject to any technical delays that cannot be influenced by the Issuer), you shall bear the risk of fluctuations in the price of the underlying until the time of delivery. Due to the redemption by physical delivery of the underlying, you will be exposed to the specific issuer and security risks associated with the underlying.

Furthermore, you should not assume that you will be able to sell the underlying for a specific price, in particular not for a price corresponding to the amount of capital used to purchase the Certificates. However, if not sold, the underlying may decrease in value or may in fact become worthless. In this case you run the risk of losing all of the capital used to purchase the Certificates (including the associated transaction costs).

Outperformance Certificates

The price of the Certificates with an outperformance element may deteriorate if the price of the underlying moves close to the initial reference price of the underlying.

Upon final maturity you may lose some or all of your investment if the final reference price has fallen below the purchase price paid for the Certificate, or even to zero.

TwinWin Certificates

The lower barrier applicable to twin win Certificates may be breached while you are unable to sell your Certificates on the secondary market due to limited regular trading hours, in particular if the trading hours for the Certificates differ from the regular trading hours for the underlying used as the basis for determining whether or not the lowest price of the underlying has breached the lower barrier.

If the lower barrier is breached, upon final maturity you may lose some or all of your investment if the final reference price has fallen below the purchase price paid for the Certificate, or even to zero.

Open-End Certificates

Cancellation by the Certificate Holder and/or redemption by the Issuer have the consequence that the Certificate Holder will only participate in the performance of the Underlying until the date of exercise of the right. In such a case, participation in any further performance of the Underlying is excluded.

If the Certificate Holder exercises his right and/or the Issuer redeems the Certificate, the Issuer may charge a Management Fee. Such a fee may reduce the Cash Amount and/or the relevant performance of the Underlying in accordance with the fee amount. The Issuer may be authorized to adjust the Management Fee during the term of the Certificates.

Worst Of Certificates

The redemption amount of a Certificate with a Worst Of Element is pursuant to the performance of the underlying which shows the worst performance over the term of the Certificates. There is no possibility for an investor to participate in the performance of the other underlyings.

If the reference price of even one of the underlyings has reached or fallen below it respective lower barrier you may lose some or all of your investment.

Certificates with interest payment

The interest payment, which can be provided for in the Final Terms, may under certain circumstances, e.g., an adverse performance of the underlying, be omitted; potential interest payments may be limited to a maximum amount. Therefore, investors bear the additional risk of receiving no interest payment or limited interest payments.

Certificates with combined structural elements

Certificates may also consist of other combinations of the structural elements described before (conditional minimum redemption, maximum redemption, conditional early redemption, physical delivery). The combination of structural elements may lead to a higher risk as compared to the risks applicable to Certificates with only one structural element.

SPECIFIC RISK FACTORS ASSOCIATED WITH CERTAIN UNDERLYINGS

Certificates with exchange rates as underlying

Exchange rates are determined by supply and demand for currencies on international foreign exchange markets, which are subject to various economic factors. Such economic factors may be assessable factors or hardly assessable factors of a psychological nature, both of which could have a considerable effect on the price of the respective currency.

Certificates with commodities as underlying

Commodities and the related price risks are often complex. Compared to other investment categories, the prices are subject to higher volatility. In particular, the commodity markets have a lower liquidity than bond, foreign exchange or equity markets. Therefore, changes in supply and demand have a greater impact on prices and volatility, which makes investments in commodities higher in risk and more complex.

The influencing factors on commodity prices are, among others, demand and supply, direct investment costs, liquidity, weather and natural disasters, political risks and tax.

Certificates with futures contracts as underlying

As the value of the Certificates depends on the market price of the underlying futures contracts specified in the respective table of the Final Terms, it is necessary to understand how futures transactions work and are valued in addition to knowing the market for the underlying futures contracts in order to properly evaluate the risks inherent in purchasing such Certificates.

Certificates with baskets as underlying

The smaller the weighting of a basket component, the lower the effect of its price performance on the price performance of the whole basket. In certain circumstances the relevant Final Terms may provide the Issuer's right to subsequently adjust the composition of the basket established when issuing the Certificates. If the Issuer has such a right you may not assume that the composition of the basket will remain constant during the life of the Certificates.

The cash amount of Certificates linked to a basket may also be linked to the difference between the performances of certain basket components. Investors will then face the risk that even if one basket component performs well they lose all or part of their investments in the Certificates.

Risk Factors

Set out below are the different risk factors associated with an investment in the Certificates issued under this Base Prospectus. Which of these risk factors are relevant to the Certificates described in this Base Prospectus depends upon a number of interrelated factors, especially the type of Certificates and the applicable underlying. Moreover, other risks which are unknown or considered immaterial at present may also have negative effects on the value of the securities.
Therefore, investments in the Certificates should not be made until all the factors relevant to the Certificates have been acknowledged and carefully considered. Terminology and expressions defined in the Terms and Conditions of the Certificates shall have the same meaning when used herein. When making decisions relating to investments in the Certificates, potential investors should consider all information contained in this Base Prospectus and, if necessary, consult their legal, tax, financial or other advisor.

1. RISK FACTORS RELATING TO THE ISSUER

The material risk factors, which may affect Citigroup Global Markets Deutschland AG's (the "Issuer") ability to meet its obligations under the securities, are described as following. Before deciding to purchase securities, investors should carefully read and consider the following specific risks and all of the other information contained in this Registration Document and in the relevant prospectus. The occurrence of these risks, either independently or simultaneously with other circumstances, may substantially impair the Issuer's business activities or have a material adverse effect on the Issuer's assets and liabilities, financial position and results of operations or on the ability to trade the securities on the secondary market. The sequence in which the following risks are presented is not intended to be either an indication of the probability of their occurrence, their gravity or their importance. An investment in the securities offered by the Issuer may be subject to additional risks and issues, which are currently unknown to the Issuer or which the Issuer currently believes are immaterial, but which could likewise impair the Issuer's business and business prospects and have a material adverse effect on the Issuer's assets and liabilities, financial position and results of operations. Apart from the risks associated with the securities as described in the relevant prospectus, investors may lose all or part of their investment if the price of their securities falls as a result of the occurrence of one or more of the risks described herein, or if the securities can no longer be traded on the secondary market.

1.1 RISK THAT THE ISSUER WILL PROVIDE LIMITED OR NO PRICE QUOTES

For securities which do not provide for the investor’s right to exercise the rights embedded in the securities at any time or where such an exercise would be unwise because otherwise the time value would be lost (in case of certificates which can be exercised at any time) the ability to sell the securities at any time is very important to you. This is where the Issuer's voluntary intention to quote buying and offered prices is of fundamental importance. Accordingly, one of the largest risks you face is that the Issuer will limit or completely renege on its voluntary intention to quote prices. In such a situation and assuming no one else quotes prices for the securities and hedging transactions via other instruments are not available or additional hedging transactions are not affordable to you, your only option would be, in the worst case scenario, to await final maturity (where no early exercise is possible) of the securities or to exercise your rights on one of the possible dates and to accept the risk of volatility of the cash amount until such date. The same applies in the event that the exchange listing of the instrument is suspended prematurely.

1.2 RISK OF DISRUPTED SECURITIES CLEARING AND SETTLEMENT OR DISRUPTED EXCHANGE TRADING

Whether the investor buys or sells his securities, exercises the rights of the securities or receives payment of the redemption amount by the Issuer, all these events can only be effected by the Issuer with the support of third parties such as clearing banks, stock exchanges, the depositary bank of the investor or various institutions involved in money transfers. If, for whatever reason, the ability of such participating parties to provide their services is impaired, then for the period of such disruption, the Issuer will not be able to accept an exercise or to deliver on any trades or to pay the cash amount upon final maturity. Possible reasons why the Issuer or any aforementioned required third parties are unable to settle securities trades include, for example, technical disruptions as a result of power failures, fires, bomb threats, sabotage, computer viruses, computer errors or attacks. The same applies in the event such disruptions occur at the certificate holder's custodian bank.

1.3 LEGAL RISKS ARISING FROM THE ISSUED SECURITIES

The Issuer's financial strength could be jeopardised if material components of agreements entered into with third parties prove to be invalid or unenforceable in key respects.

This could occur, for example, if a number of investors purchased the Issuer's publicly offered or exchange-listed securities (in respect of which a prospectus was published in a Member State of the European Union on or after 7 July 2005 in accordance with the relevant national laws enacted to implement the EU Prospectus Directive 2003/71/EC) and then exercised their right to withdraw pursuant to the domestic equivalent of Article 16 (2) of the EU Prospectus Directive 2003/71/EC. Withdrawal would be possible on this basis if material facts in the prospectus for securities issued by the Issuer after 1 July 2005 were incorrect or incomplete, or such facts arose after the prospectus was published and needed to be addressed in a supplement.

Furthermore, the Issuer's financial strength could be jeopardised as a result of claims based on liability for the contents of the prospectus ("prospectus liability") if material facts are negligently omitted or incorrectly described in the Issuer's prospectus and such negligence causes injury or damage to a large number of investors.

In accordance with Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses, the last two years' audited historical financial information in any prospectuses prepared by the Issuer on or after 1 July 2005 pursuant to the national laws enacted to implement the EU Prospectus Directive 2003/71/EC must be presented and prepared in a form consistent with that which will be adopted in the Issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements. If, despite best efforts made, it is impossible for the Issuer to predict or seasonably implement such future changes, then there is a possibility that investors may withdraw from their transactions or enforce claims based on prospectus liability. In such cases, the Issuer could suffer considerable losses. Moreover, it is conceivable that an ongoing public offer and exchange listing of the securities in question will be suspended if the requirements for a continued listing are no longer met because of a delay in implementing accounting standards as described above. As a result thereof, the Issuer could sustain losses from compensatory damage claims enforced by investors, or the investors could lose the intrinsic value of their warrants if they cannot enter into an off-exchange warrant transaction with the Issuer because of a certain restriction under the public offering.

The Issuer has granted a loan to a financial service company in Kazakhstan. The total value of this loan equals approximately EUR 74.5 million per 30.11.2011. The Issuer has essentially hedged the risk that this loan will not be serviced in accordance with the contractual obligations by issuing bonds, which provide that the Issuer is obligated to make payment only to the extent that it receives payment from the borrower. If the contractual obligations under the bonds unexpectedly require that the Issuer make payments to the bond holders, even though no corresponding payments were received from the borrower, then the Issuer could face liquidity problems. The explanations regarding prospectus liability and the right to withdraw as described in the first two paragraphs above also apply *mutatis mutandis* to the bonds.

1.4 LIQUIDITY RISK DESPITE CONTROL AND PROFIT (LOSS) TRANSFER AGREEMENT

The Issuer belongs to the Citigroup Inc. Group. The Issuer and its direct parent company are parties to a control and profit (loss) transfer agreement, which is described more specifically below.

Under the control agreement, the Issuer's management is subject to the direction of the direct parent company. Profits must be transferred to the direct parent company, and losses must be indemnified by the direct parent company.

Pursuant to §§ 301 et seq. of the German Stock Corporation Act ("AktG"), the profit transfer or loss indemnity obligation arises only after the annual financial statements for the relevant fiscal year have been approved. If, during the fiscal year, the Issuer faces liquidity bottlenecks, then - despite the control and profit (loss) transfer agreement - the Issuer may not be able to discharge its obligations under the issued securities in a timely manner or at all.

Despite the control and profit (loss) transfer agreement, the Issuer may be unable to meet its obligations under the securities if the Issuer generates a net loss and the direct parent company, which is required to indemnify the loss, is unable or unwilling to meet its contractual obligations as a result of its own liquidity problems or over-indebtedness.

1.5 BROKERING TRANSACTIONS FOR OTHER GROUP COMPANIES AND ALLOCATION OF WORK AMONG CITIGROUP COMPANIES

The majority of the Issuer's brokerage commission income is income from transfer pricing arrangements, which the Issuer receives for brokering transactions between the Issuer's customers and the various Citigroup companies. The Issuer's costs arising from the exchange of services with other individual Group companies is re-imbursed through transfer pricing in accordance with existing contracts. Under this arrangement, the various costs and income are calculated and then allocated to the relevant service provider. Such income relates above all to brokerage commission income for transactions executed as part of equities trading, the underwriting business, corporate finance and the sale of structured products, corporate derivatives, foreign exchange management products and global relationship banking and on which the Issuer acted as an adviser in connection with the sales activities. The Issuer enjoys a close working relationship in all areas, above all with Citigroup Global Markets Limited, London, and Citibank, N.A., London.

If a decision is taken within the Citigroup Group that the responsibilities in question should be redistributed among other Group companies, then the Issuer could lose a significant source of income.

1.6 PROPRIETARY TRADING RISKS RELATED TO DERIVATIVE SECURITIES ISSUED BY THE ISSUER

The most important trading risks in certificates trading and/or in the issuance of other derivative instruments by the Issuer are the settlement and/or replacement risks associated with the Issuer's counterparties (specifically the end customers' own banks or brokers) when clearing and settling trades in the issued securities, and the risks that remain after extensive hedging of open positions, which were entered into when the securities were issued.

In order to cover the open positions resulting from the issued securities, the Issuer will execute hedging transactions, which are linked to various risk variables in the risk model used by the Issuer, such as the relevant underlying, the volatility of the underlying, the term to expiry, the expected dividends or the interest rate. Particularly worthy of mention in this context are the risks arising from changes in the volatility of the underlying and so-called “gap risks" as a result of unexpected jumps in the price of the underlying, which can generate losses above all where hedging transactions are executed in order to cover sold knock-out securities. At best, the Issuer can to a large extent close out the open risk positions resulting from the issued securities, but it will be unable to close them out completely or enter into matching positions for all open positions.

If a counterparty of the Issuer defaults, and such counterparty also happens to be one of the Issuer's important sales partners, clearing and settling a large number of customer transactions with the Issuer each day, then there is a risk that hedging transactions, which are entered into by the Issuer before completing the relevant trade in order to close out a risk position arising from transactions in its own securities previously executed with such party, will not be closed as expected because of the counterparty's default, but instead will remain open and therefore will still need to be closed out..

Likewise, the default of one of the Issuer's other counterparties with whom a large number of hedging transactions have been executed could also expose the Issuer to liquidity bottlenecks, if new or higher costs have to be incurred in order to replace the original contracts.

1.7 RISKS IN THE CREDIT BUSINESS

The Issuer's credit portfolio consists primarily of international customers in the industrial and financial services sectors with a first class credit rating. This business policy has enabled loan losses to be avoided in the past. The credit portfolio focuses mostly on a manageable number of borrowing entities. If any of the Issuer's key borrowers fail to meet their obligations, then risk provisioning could conceivably increase significantly or loan defaults could occur.

Approximately EUR 74.5 million per 30.11.2011 in loan to a Kazakh financial service company has been refinanced through bonds issued on the capital markets. The Issuer has hedged the risk that this loan will not be serviced in accordance with the contractual obligations (specifically the payment of interest and principal) by issuing bonds, which provide that the Issuer is obligated to make payment only to the extent that it receives payment from the borrower. The Issuer's default risks have thereby been transferred to investors. See also "Legal risks arising from the issued securities" regarding the legal risks of the issued bonds.

1.8 RISKS OF INTEREST RATE CHANGES

Treasury assesses and controls the Issuer's interest rate risk. The Issuer's exposure to changes in interest rates is a mid to long-term risk and primarily affects holdings in liquid securities that were not originally covered by hedging transactions like interest rate swap agreements. The securities may be sold on short notice. A significant risk from interest rate changes could arise where interest rates are not monitored in a timely or sensitive manner, which could produce the concomitant danger that action to cover such interest rate exposure is not taken early enough.

1.9 OPERATING RISK

The Issuer has outsourced many functions that are essential for duly managing and controlling its transactions and the risks resulting therefrom to other companies within and outside the Citigroup Group. If the companies to which such functions have been outsourced fail to discharge their contractual obligations within the prescribed time or at all, then this could also impair the Issuer's ability to seasonably meet its own obligations under the issued securities.

1.10 TAX RISKS

The tax assessment notices served on the Issuer and/or on the company that was absorbed by the Issuer in 2003 as part of a merger (formerly Salomon Brothers AG) are typically provisional and made subject to an audit by the German tax authorities or a decision on specific issues by the relevant courts. This is a common procedure that allows tax authorities – in connection with a tax audit or following a general tax ruling by a competent tax court - to levy additional taxes years after a tax assessment was issued.

1.11 GENERAL BUSINESS RISKS

The Issuer's general business risks include any and all risks that do not qualify as either a market risk, a counterparty risk or a liquidity risk, such as

- SETTLEMENT RISK

The risk that a business transaction is incorrectly processed or that a transaction is executed which is different from the intentions and expectations of the bank's management.

- INFORMATION RISK

The risk that information, which was generated, received, transmitted or stored within or outside the Issuer's place of business, can no longer be accessed. Furthermore, such information may be of poor quality, or have been wrongly handled or improperly obtained. The information risk also includes risks that are generated by systems and used for processing information.

- REPUTATION RISK

This represents the Issuer's risk that its relations with its customers could be harmed if its services are poor or transactions are incorrectly executed. This risk also includes the risk of entering into business relations with counterparties, whose business practices do not conform to the standards or business ethics of the Issuer.

- PERSONNEL RISK

The Issuer has a high demand for qualified and specially trained professionals and managers. Personnel risk entails the risk of high staff turnover and the risk that the Issuer will be unable to retain a sufficient staff of qualified personnel, as well as the risk that the Issuer's employees may knowingly or negligently violate established regulations or the firm's business ethics standards.

- LEGAL AND REGULATORY RISKS

The Issuer views legal risks as any and all risks resulting from binding contracts and governing legislation. Regulatory risks result from the legal environment in which the Issuer does business.

2. RISK FACTORS RELATING TO THE CERTIFICATES

Investing in the Certificates involves certain risks. Among others, these risks may take the form of equity market, bond market, foreign exchange, interest rate, market volatility and economic and political risks and any combination of these and other risks. Prospective investors should be experienced with regard to transactions in instruments such as the Certificates and in the underlying. Prospective investors should understand the risks associated with an investment in the Certificates and shall only reach an investment decision, after carefully considerations with their legal, tax, financial and other advisers of (i) the suitability of an investment in the Certificates in the light of their own particular financial, fiscal and other circumstances; (ii) the information set out in this document and in the relevant Final Terms (including any risk factors specific to the underlying as included therein) and (iii) the underlying. An investment in the Certificates should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the underlying, as the return of any such investment will be dependent, *inter alia*, upon such changes. More than one risk factor may have simultaneous effects with regard to the Certificates, so that the effect of a particular risk factor is not predictable. In addition, more than one risk factor may have a compounding effect, which may not be predictable. No assurance can be given with regard to the effect that any combination of risk factors may have on the value of the Certificates.

Prospective investors of the Certificates should recognise that the Certificates may decline in value and should be prepared to sustain a total loss of their investment in the Certificates. This risk is independent of the financial strength of the Issuer. The shorter the remaining term of the Certificates is, the higher the risk of not being able to recover a loss in the value of the Certificates. The option characteristic embedded in the Certificates generates increasing time value decay at the end of term of the Certificates. Potential investors must therefore be prepared and able to sustain a partial or even a total loss of the invested capital.

It is expressly recommended that potential investors familiarise themselves with the specific risk profile of the product type (indicated for the relevant Certificates in the Final Terms) described in this Base Prospectus and seek the advice of professional advisors if necessary.

2.1 COMMON RISK FACTORS ASSOCIATED WITH THE VARIOUS TYPES OF CERTIFICATES CONTAINED IN THIS BASE PROSPECTUS

Risk of losing entire investment

Certificates are high-risk investment instruments. Investing in the Certificates means risking the loss of some or even all of your invested capital. The rights represented by the Certificates may irreversibly lose value because this type of instrument always embodies rights of only limited duration.

Given transaction and financing costs, the risk of losing capital can extend beyond the value of the Certificates themselves

Irrespective of and in addition to the risk of losing your entire investment, there is also the risk that your gain or loss will be affected by transaction costs, which are charged by the custodian bank or the stock exchange through which you execute your buy or sell orders. A total loss can thus extend beyond merely the capital invested.

The risk increases even more if, for example, you borrow money to finance the acquisition of the Certificates. In this case, not only do you have to accept the loss incurred should the market perform contrary to your expectations, but you must also pay interest on and repay the loan. Therefore, you should never rely on being able to repay the loan principal and interest out of profits made on the Certificates. Instead, before purchasing the Certificates and borrowing the purchase price under a loan, review your financial situation to see whether you would still be able to pay interest and repay the loan (potentially on short notice) if you were to sustain a loss instead of making the anticipated profit.

No dividend payments

Certificates do not entitle their holders to receive dividend payments. Thus, any decrease in the value of the Certificates cannot be compensated by dividend income generated from the Certificates.

Loss or limitation of interest payments possibly provided for

The interest payment, which can be provided for in the Final Terms, may under certain circumstances, e.g., an adverse performance of the underlying, be omitted; potential interest payments may be limited to a maximum amount. Any decrease in the value of the Certificates cannot be compensated by interest income generated from the Certificates.

Change in certificate price over term

During their term, the price of the Certificates may change to the detriment of the investor as a result of changing market conditions (volatility, interest rates, expected dividend, if applicable, on the underlying or components thereof and other influencing factors that have been factored in to the Issuer's pricing model). The price calculated by the Issuer using its pricing model may differ substantially from estimates made by other market participants. But it is the Issuer's quote that is of key importance for the pricing of the Certificates; see also "*Secondary market in Certificates*" below.

Change in the price of the Certificates as a result of adjustment or substitution of the underlying

In the cases described in the Conditions of the Certificates (which are the Terms and Conditions of the Certificates as set out herein, as completed for a particular series of Certificates and as set out in the relevant Final Terms), the Issuer may replace the underlying, e.g. in the event of a joint stock company being taken over by or merged with another listed joint stock company or the suspension of listing of the old underlying or the suspension of a share index and subsequent replacement of the suspended index with another share index. Such a replacement will not only affect the cash amount payable under the Certificates on their scheduled repayment date. It may also affect the price over the term, as significant factors on the basis of which the Issuer sets the Certificate's price may have changed.

In particular, price outlooks for the new underlying due to the change in underlying could have a negative impact on prices over time.

It may also be impossible to adjust the underlying to the changes that have occurred. The risk then arises that the Certificates could expire with no value or be repaid prematurely at their current fair market value. Even in the event of early repayment at fair market value, you are still exposed to a risk of loss should the fair market value at such time be less than the price at which you purchased the Certificates. In such a case you would no longer have the opportunity to recoup any losses made on the Certificates.

Adjustment of price during the term in line with payment profile at final maturity based on declining residual maturity

Generally the effect of pricing factors over the term of Certificates tails off by final maturity at the latest. However, such effect will not necessarily reduce on a linear basis up to final maturity of the Certificates, but may undergo temporary acceleration (or, as the case may be, deceleration). Even if the price of the underlying rises (or, as the case may be, falls) there may a reduction (or, as the case may be, an increase) in the value of the Certificates due to the other value determining factors. Given that (unless in case of open-end Certificates) the term of the Certificates is always limited, you cannot rely on the price recovering from losses prior to the final maturity of the Certificates.

Currency risk

If the underlying(s) are denominated in a currency other than the Cash Currency of the Certificates or the currency in which the Certificates are traded either on or off the stock exchange, you run the risk of a loss caused by conversion of the currency of the underlying into the Cash Currency of the Certificates or into their trading currency (in the case of sale of the Certificates in the secondary market). Only on their scheduled repayment date Certificates with a "quanto" hedging element are free of this risk.

The price of Certificates with a "quanto"-element (a built-in currency hedging) can react to exchange rate fluctuations even if the other factors affecting the price remain unchanged

Upon final maturity, Certificates with a "quanto"-element are not exposed to any exchange rate risk between the Cash Currency (the euro) and the currency of the underlying. This does not, however, apply during the term of the Certificates. Should you wish to sell the Certificates on the secondary market during their term, you are exposed to an unlimited exchange rate risk. This is due to the fact that during the term of the Certificates, the economic value of the quanto-feature fluctuates in accordance with various different influencing factors.

When purchasing Certificates with a quanto element, you must bear in mind that the purchase price of the Certificate includes costs related to such quanto hedging.

Secondary market in Certificates

Under normal market conditions, it is the Issuer’s intention to regularly quote bid and ask prices for the Certificates. Nevertheless, the Issuer assumes no legal obligation whatsoever to holders of Certificates that it will quote such prices or that such prices are reasonable or will be accepted by the market. Therefore, you should not rely on being able to sell the Certificates at a certain time or at a certain price during their term. In particular, the Issuer is not obliged to repurchase the Certificates during their term.

The Issuer may have voluntarily given an undertaking to certain stock exchanges pursuant to the corresponding provisions of the stock exchanges that it will quote bid and ask prices for certain volumes of orders or securities, provided that the market conditions are reasonable. Such undertaking is given only to the stock exchanges concerned and does not give rise to any rights on the part of third parties such as the holders of the Certificates.

You should not assume that market participants other than the Issuer would quote bid and ask prices for the Certificates. Furthermore, the liquidity of the Certificates will not necessarily increase because the Certificates are listed on a stock exchange. You should assume that any price quoted on a stock exchange can only move within the range of the bid and ask prices quoted by the Issuer, if applicable, and that your order will be directly or indirectly executed against the Issuer.

There is a risk that the Issuer will limit or entirely cease the voluntary quotation of prices and/or the making of a secondary market. The intention to list the Certificates on a stock exchange is set forth in the relevant Final Terms. Even if the Certificates are listed, it cannot be guaranteed that the listing will be permanently maintained. If the listing of the Certificates on the relevant stock exchanges is not permanently maintained, it becomes significantly more difficult to purchase and sell such Certificates. If trading in the Certificates is limited or non-existent, it also becomes difficult for the investor to gain access to a current valuation. This situation could, in turn, adversely affect the liquidity of the Certificates. Liquidity may also be reduced by existing offer and sale restrictions in certain countries. Trading in Certificates that are not listed on a stock exchange may be exposed to higher risks than trading in exchange-listed certificates. The Issuer is also entitled, but not obliged, to buy back Certificates at any time on the open market or pursuant to a tender offer. Certificates purchased in this manner may be held, resold or cancelled. If the Issuer holds Certificates or cancels them, such action could adversely affect the liquidity of the relevant Certificates, which can increase the volatility of prices of such Certificates. The latter applies particularly in the event that the Issuer limits or suspends the quoting of prices for the Certificates.

Restricted secondary trading if electronic trading systems are not available

Due to the large number of trades in derivative securities typically handled by the Issuer, it is of particular importance for the Issuer and the holders of the Certificates that trading in the Certificates is conducted through an electronic trading system so that bid and ask prices can be quoted for exchange and off-exchange trading. If the electronic trading system used by the Issuer were to become partially or completely unavailable, such a development would have a corresponding effect on the tradability of the Certificates.

No Secondary market immediately prior to final maturity

The Issuer or, as the case may be, the stock exchanges end trading in the Certificates shortly before their scheduled repayment date. The final reference price for the underlying and/or the applicable exchange rate (both of which are relevant for the determination of the cash amount of the Certificates) could however still change between the last (exchange) trading date and the scheduled repayment date and such changes may not be in your favour.

In particular, there is the risk that a barrier could be reached/fallen below/exceeded for the first time prior to final maturity after secondary trading in the Certificates has already ended.

Risk associated with estimating the price of the underlying if its home market is closed while secondary trading in the Certificates takes place

If the underlying is traded on its home market during the opening hours for secondary trading in the Certificates by the Issuer or the stock exchanges on which the Certificates are listed, the price of the underlying is incorporated into the price calculation. In exceptional cases, however, the price of the underlying may need to be estimated if the Certificates referenced to the underlying are traded at a time when the market for the underlying is closed. In general, this problem could apply to all Certificates irrespective of the time at which they are traded because the Issuer currently offers off-exchange trading in its Certificates at times when the underlying instruments are not traded on the local markets or stock exchanges. This problem applies above all to underlying instruments that are traded in time zones far away from Central Europe, such as American or Japanese shares or share indices in those regions. The same problem arises if the Certificates are traded on days on which the home market for the underlying is closed because of a (local) public holiday there. If the Issuer estimates the price of the underlying because the underlying's home market is closed, the Issuer's estimate may prove to be accurate, too high or too low within just a few hours of the home market reopening for trade in the underlying. Correspondingly, the prices quoted by the Issuer for the Certificates prior to the opening of business on the home market of the underlying may subsequently prove to be too high or too low.

Hedging transactions by the Issuer

In order to hedge its obligations arising from the Certificates, the Issuer continually trades in the underlying, in derivatives referenced to the underlying, or in other underlyings or derivatives that influence the price of the underlying or whose price or volatility closely tracks the price movement or volatility of the underlying. This applies accordingly to the relevant factors determining the value of a quanto hedging element.

In general, such hedging transactions have the potential to amplify or trigger changes in the price of the underlying or the volatility of the underlying, i.e. additional hedging positions may cause prices that are increasing anyway to increase even further or cause prices that are falling anyway to fall more significantly. If such price trends are to be reinforced, this will affect the price of the Certificates accordingly.

The Issuer executes hedging transactions on an ongoing basis (i.e. at any time). The Issuer will make appropriate adjustments to its matching positions, particularly if one of the value determining factors changes.

The Issuer will adjust its hedging positions if it sells additional Certificates (its net position in the relevant series of Certificates increases) or buys back Certificates (and its net position in the relevant series of Certificates decreases).

Immediately prior to the final maturity of the Certificates the Issuer will close out all of its hedging transactions relating to such Certificates. Depending on the number of Certificates due, the prevailing market situation and the liquidity of the respective underlying, it is possible that this will adversely affect the reference price of the underlying and thus also adversely affect the cash amount payable under the Certificates.

Effect of the liquidity of the underlying on pricing for the Certificates

The less there is liquidity in the underlying or the greater the spread is between bid and ask prices for the underlying or the derivatives referenced thereto, the higher the Issuer's hedging costs in relation to the Certificates tend to be. When quoting prices for the Certificates, the Issuer will factor in such hedging costs and will pass them on to the holders of the Certificates by incorporating them into the bid and ask prices for the Certificates.

Transactions that exclude or limit risks

Do not rely on being able to enter into transactions through which you can exclude or limit the risks associated with the Certificates at any time during the term of the Certificates. It may be impossible to execute such transactions, or impossible to execute them without loss.

Risk of default by the Issuer

The Certificates represent unsubordinated and unsecured obligations of the Issuer, ranking pari passu among themselves and with the Issuer's other existing unsecured and unsubordinated obligations. If the Issuer becomes insolvent, you may suffer a loss, potentially of your entire investment, irrespective of any favourable development of the other value determining factors, such as the development of the underlying. Since the Certificates qualify as bearer securities, they are not covered by a deposit protection scheme (Einlagensicherungsfonds).

Potential conflicts of interest

The Issuer, its affiliated enterprises (if applicable) or other companies belonging to, or affiliated with, Citigroup Inc. may actively trade in the underlying of the Certificates, other instruments or derivatives, exchange-traded options or exchange-traded futures contracts referenced to the underlying, or may issue other securities or derivatives referenced to the underlying. The Companies may also be involved in acquiring new shares or other underlying instruments or individual companies incorporated in share indices or equities baskets, or may act as financial advisor to the aforementioned entities or have a business relation with them in commercial banking operations. The above activities may give rise to conflicts of interest and may affect the price of the underlying or the Certificates referenced to the underlying.

In case that the Issuer or affiliated enterprises or third parties on its behalf act as index calculation agent or index sponsor with respect to indices which serve as underlying for certificates issued under this base prospectus and thus is in the position to influence the value and the composition of such index, conflicts of interest between its activities as Issuer of the certificates and as index calcution agent and index sponsor cannot be excluded. In such context, the Issuer or affiliated enterprises or third parties on its behalf will carry out actions and take measures which it deems necessary or appropriate in order to preserve its interests but which may adversely affect the value of the certificates.

Influence of market disruptions on price at final maturity/in secondary trading

If market disruptions affecting the underlying occur at a relevant valuation date, the Issuer reserves the right to postpone the valuation date to the next following Calculation Date, which is no longer affected by a Market Disruption. Such action may give rise to an additional risk for you if the underlying performs poorly during the period of postponement or, if applicable, the exchange rate for conversion into euros (i.e. the price to pay for one euro) increases, since this will impact the price of the Certificates.

Market disruptions for the purposes of this Base Prospectus and the relevant Final Terms are, inter alia, any suspension or significant restriction of trading in the underlying of the Certificates, its components or certain derivatives referenced to the underlying, in each case on certain organised markets.

With respect to trading in the Certificates, the suspension or significant limitation of quotation of bid and ask prices by the Issuer, the quotation of prices only for smaller volumes, the expansion of the spread between bid and ask prices, or any combination of the foregoing has a similar effect as a market disruption would have on the relevant valuation date. The aforementioned occurrences may temporarily or permanently restrict the saleability of the Certificates, make them more expensive or saddle them with an additional price risk, particularly if the price of the underlying develops negatively in such a situation.

Postponement of redemption due to force majeure or political risk

In the event that the Issuer is not actually or legally in a position to fulfil its liabilities under the Certificates in a legally admissible fashion in Frankfurt am Main or at the place of the respective redemption (e.g. due to force majeure or because of a moratorium or legal prohibition imposed in connection with certain political events), the due date of such liabilities will be postponed until the date on which it is actually or legally feasible for the Issuer to fulfil its liabilities in Frankfurt am Main or at the place of the respective redemption. Holders of the Certificates will not be entitled, as a result of such postponement, to enforce any rights against assets of the Issuer located in Frankfurt am Main or elsewhere.

Disruptions of Convertibility

In the event that the Issuer is not in a position to convert the Reference Currency of the particular Underlying of the Certificates into the Cash Currency of the Certificates and a so-called disruption of convertibility occurs, the Issuer is entitled to terminate the Certificates and to redeem them early at their fair market value. In the case of early redemption at the market value you will also bear the risk of loss provided that on such time the fair market value is lower than the price at which you have bought the Certificates. In such case you will not have the possibility to set off a loss.

The risk of disruption of convertibility particularly exists with respect to Certificates, whose Underlying refers to financial instruments or to the statutory currency of emerging markets. In particular the risk is based on the fact that, compared to countries with larger and more liquid markets and politically steady conditions (e.g. countries of the European Union or the United States of America), there is a higher probability of the occurrence of sudden and unforeseeable political and economical changes which may result in restrictions against foreign investors, e.g. compulsory expropriation of assets, nationalisation of foreign bank deposits or the setup of foreign exchange controls.

Capital protection only applies at the end of the term of the Securities

As far as specified in the relevant Final Terms the Certificates are as at the end of their term capital protected, i.e. the investor receives at the end of the term disregarding the actual performance of the Underlying in any case a minimum repayment amount. If an investor acquires the Certificates after the issue at a price, which is higher than the minimum repayment amount, the prospective investor should be aware that the (proportional) capital protection only refers to the lower minimum repayment amount.

In this context, it has to be considered that the capital protection only applies at the end of the term, i.e. provided that the Certificates have not been terminated. The amount to be paid in case of an early redemption of the Certificates can be considerably below the amount, which would be payable as a minimum at the end of the term of the Certificates, where the capital protection applies to the extent of the minimum repayment amount.

Potential investors of the Certificates should furthermore recognise that despite the capital protection to the extent of the relevant minimum repayment amount, the investor bears the risk of the Issuer's financial ability. Prospective investors must therefore be prepared and able to sustain a partial or even a total loss of the capital invested. Purchasers of the Certificates should in any case assess their financial situation, to ensure that they are in a position to bear the risks of loss connected with the Certificates.

2.2 SPECIFIC RISK FACTORS ASSOCIATED WITH THE DIFFERENT STRUCTURAL ELEMENTS OF CERTIFICATES

2.2.1 Certificates with minimum redemption linked to a condition (e.g. Bonus Certificates)

In the case of Bonus Certificates, the cash payment upon final maturity is based on the final reference price of the underlying at the valuation date (at the end of the valuation period) multiplied by the multiplier or, as the case may be, the performance of the underlying measured at the valuation date multiplied by the nominal amount, where applicable converting the currency of the underlying into the currency of the certificate, and disregarding any dividend payments relating to the underlying. In contrast to a direct investment, the Final Terms of such Certificates stipulate a lower barrier and an upper barrier for the price of the underlying. If the price of the underlying does not reach or falls below the lower barrier on any time (or on not more than a specified number of days) during the valuation period or reach or exceed the upper barrier at the end of the valuation period, the cash amount of the Certificates at final maturity is the upper barrier (multiplied by the multiplier, if applicable) (bonus amount) irrespective of how the underlying has performed.

In the case of Certificates whose underlying is not expressed in euros and that include quanto hedging, the final reference price of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the cash amount payable at final maturity if the Certificates have a quanto hedging element.

Risk of the loss of the difference between the bonus and lower barrier upon the lower barrier being reached or fallen below

If the price of the underlying reaches or falls below the lower barrier during the term of the Certificates at any time (or on more than a specified number of days), you are exposed to the same risks that would be applicable to a direct investment in the underlying. You can even lose your entire investment. Additionally, however, you forfeit the right to payment of any dividends.

If the price of the underlying of the Certificates reaches or falls below the lower barrier during normal trading hours or at any time (or on a specified number of days) during the valuation period, the Certificates will be repaid at final maturity at the final reference price of the underlying multiplied by the multiplier or, as the case may be, the performance of the underlying multiplied by the nominal amount. In this case there will be no bonus amount. These consequences apply even if the lower barrier is breached due to a market disruption.

Risk of accelerated price deterioration if the price of the underlying moves close to the lower barrier

Generally speaking, the price of the Certificates moves in the same direction as the underlying. However, the price movements do not necessarily move in parallel, i.e. if, for example, the price of the underlying moves close to the or a lower barrier and the Issuer assumes that the lower barrier is very likely to be breached, this has a negative impact on the price of the Certificate, which will fall significantly faster than the price movement of the underlying. The level of price movements depends on many factors, as reflected in the Issuer's pricing model, but is particularly influenced by the volatility of the underlying and the residual term of the relevant Certificates.

If it is not the price of the underlying on any time during the Observation Period but only the final reference price (being the price of the underlying on the valuation date) that is relevant for the determination whether the or a lower barrier is breached, this may increase price movements in the Certificates the closer final maturity of the Certificates gets.

The intensity of a decrease in the price of the underlying and the distance from the lower barrier (measured in price units of the underlying) at which such decrease occurs depends on what is known as the "gap risk" characteristic of volatility. This refers to the risk of a significant price decrease in the underlying between the close of business on the previous day and the start of business on the following trading day or to the risk of intraday jumps in price. Such gaps are estimated for the future and passed on to the buyers of the Certificates by the Issuer in the form of the pricing of the Certificates. The higher the gap risk, the greater the distance from the lower barrier at which the Certificates begin to see an increasing or accelerated drop in price.

At the beginning of the term of the Certificates there is a high (and during the term of the Certificates decreasing) risk that the underlying reaches or falls below the lower barrier. This high risk results in a lower initial price of the certificates compared to the bonus amount (in the case that the underlying has not reached or fallen under the lower barrier). The shorter the time to maturity the closer the price gets to the bonus amount. However, this only applies, if the underlying has not reached or fallen below the lower barrier. If the lower barrier has been breached the price of the Certificate will approximate the performance of the underlying.

Risk that the lower barrier will be breached while you are unable to sell your Certificates on the secondary market due to limited regular trading hours

You face the general risk of a price movement in your Certificates due to the lower barrier having been breached outside regular trading hours for the Certificates. This risk can occur to the extent that the trading hours for the Certificates (with regard to the Issuer/stock exchanges on which these are listed where applicable) differ from the regular trading hours for the underlying used as the basis for determining whether or not the lowest price has breached the lower barrier.

This problem applies above all to underlying instruments that are traded in time zones that are far away from Central Europe, such as American or Japanese shares or share indices in those regions. The same problem can arise if the Certificates cannot be traded on the secondary market due to a (local) public holiday when the underlying's home market is open for business.

Hedging transactions by the Issuer

There is always the possibility that building up or closing out of hedging positions by the Issuer could amplify the price movement of the underlying to such an extent that this itself would cause the lower barrier to be breached for the first time, resulting in a corresponding decrease of the price of the Certificates. The closer the price of the underlying moves to the lower barrier and the higher the volatility of the underlying, the greater the risk of the lower barrier being breached for the first time.

2.2.2 Certificates with a reverse element

In the case of Certificates with a reverse element, the cash amount payable on final maturity is based on how the price of the underlying has developed between the strike date and the valuation date, where applicable converting the currency of the underlying into the Cash Currency of the Certificates and disregarding any dividend payments relating to the underlying.

As a general rule, investors in such Certificates participate positively in a negative price development of the underlying and participate negatively in a positive price development (reverse participation). In other words, the lower the final reference price of the underlying at the end of the term, the higher the cash amount (subject to a cap or cap level). Conversely, the higher the final reference price of the underlying, the lower the cash amount. In the case of proportional participation at a participation factor of 100% in the price development of the underlying, this means that if the price of the underlying rises by 100% or more, no cash amount at all is payable at final maturity and the investor loses the entire investment. In addition, the potential return under Certificates with a reverse element, as a principle rule, limited, since the negative performance of the Underlying may not exceed 100 %.

Additionally, in case of e.g. Reverse Bonus Certificates an upper barrier relating to the price of the underlying is defined in the Final Terms. Such upper barrier is set above the initial reference price (which is the current price of the underlying at the commencement of the lifetime of the Certificates. If the highest price of the underlying never reaches or exceeds the upper barrier at any time (or on not more than a specified number of days) during a defined observation period, the cash amount per Certificate upon final maturity will be at least the minimum amount as set out in the Final Terms, taking into account the conversion of the currency of the underlying into the currency of the certificate where applicable.

In the case of Certificates with a reverse element whose underlying is not expressed in euros and that include quanto hedging, the performance of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the cash amount payable at final maturity if the Certificates have a quanto hedging element.

If the Certificates with a reverse element provide for a participation factor other than 100%, this means that the investor can either participate to a disproportionately high extent in any price fall in the underlying (with a participation factor of more than 100%) or to a disproportionately low extent (in the case of a participation factor of less than 100%).

Risk of accelerated price deterioration with e.g. reverse bonus Certificates if the price of the underlying moves close to the upper barrier

Generally speaking, the price of a Certificate with a reverse element moves in the opposite direction from the underlying. However, the price movements do not necessarily move in parallel, i.e. if, for example, in case of a Reverse Bonus Certificate the price of the underlying moves close to the or an upper barrier and the Issuer assumes that the upper barrier is very likely to be breached, this has a negative impact on the price of such Reverse Bonus Certificate, which will fall significantly faster than the price movement of the underlying may suggest. The level of price movements depends on many factors, as reflected in the Issuer's pricing model, but is particularly influenced by the volatility of the underlying and residual maturity of the Certificate.

The intensity of a decrease of the price of the underlying and the distance from the upper barrier (measured in price units of the underlying) at which such decrease occurs also depends on what is known as the "gap risk" characteristic of volatility. This refers to the risk of a significant decrease in the price of the underlying between the close of business on the previous day and the start of business on the following trading day or to the risk of intraday jumps in price. Such gaps are estimated for the future and passed on to the buyers of the Certificates by the Issuer in the form of the pricing of the Certificates. The higher the gap risk, the greater the distance from the upper barrier at which the Certificates begin to see an increasing or accelerated drop in price.

Hedging transactions by the Issuer

There is always the possibility that building up or closing out of hedging positions by the Issuer could amplify the price movement of the underlying to such an extent that this itself would cause the upper barrier to be breached, resulting in a corresponding fall of the price of the Certificates. The closer the price of the underlying moves to the upper barrier and the higher the volatility of the underlying, the greater the risk of the upper barrier being breached for the first time.

2.2.3 Certificates with maximum redemption (Cap), e.g. Discount Certificates

Certificates with maximum redemption (Cap) convey to the investor the right upon final maturity to payment of a cash amount that corresponds to the lower of the maximum cash amount (being the cap multiplied by the multiplier or, as the case may be, the cap level multiplied by the nominal amount) stipulated in the Final Terms and the final reference price of the underlying (as usually determined on the last day of the term) multiplied by the multiplier (or, as the case may be, the performance of the underlying determined on the basis of such final reference price multiplied by the nominal amount of the Certificates). Certificates with maximum redemption (Cap) therefore involve the risk that, upon final maturity, may lose some or all of your investment if the final reference price has fallen below the purchase price paid for the Certificate, or even to zero in addition to the points specified in 2.2.4, you will not participate in the positive performance of the underlying in full, due to the return being limited by the cap or the maximum redemption.

In the case of Certificates with maximum redemption (Cap) whose underlying is not expressed in euros and that include quanto hedging, the performance of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the cash amount payable at final maturity if the Certificates have a quanto hedging element.

2.2.4 Certificates with maximum redemption and lower barrier

The following additional points apply to discount plus Certificates, i.e. discount Certificates for which the Final Terms show an applicable lower barrier:

If the price of the underlying breaches the lower barrier during the term of the Certificates, you as the investor are exposed to the same risk applicable to a direct investment in the underlying, which could mean the loss of your entire investment. Additionally, however, you forfeit the right to payment of any dividends. These consequences apply even if the lower barrier is breached due to a market disruption and even if the lower barrier has only been breached for a short period or on one occasion since the beginning of the valuation period.

The lower barrier provides an additional opportunity to receive the maximum amount as defined in the Final Terms at the end of the term. This additional opportunity is incorporated into the pricing by the Issuer, and such a Certificate is regularly priced higher than a Certificate with maximum redemption but without the additional lower barrier feature. If the underlying falls to or below the lower barrier, the discount plus certificate becomes a "normal" Certificate with maximum redemption.

Hedging transactions by the Issuer

There is always the possibility that building up or closing out of hedging positions by the Issuer could amplify the price movement of the underlying to such an extent that this itself would cause the lower barrier to be breached, resulting in a corresponding fall of the price of the Certificates. The closer the price of the underlying moves to the lower barrier and the higher the volatility of the underlying, the greater the risk of the lower barrier being breached for the first time.

2.2.5 Certificates with conditional early redemption (e.g. Express Certificates)

In case of Certificates with conditional early redemption (e.g. Express Certificates) if on a particular valuation date the performance of the underlying on such valuation date reaches or exceeds the redemption level that is relevant on such valuation date, the Certificates will mature on such valuation date without any need for a separate termination of the Certificates by the Issuer. In this case the cash amount to be paid by the Issuer will be limited to the nominal amount or, as the case may be, the initial reference price denominated in euros or converted in euros in accordance with the Terms and Conditions of the Certificates multiplied by the multiplier, in each case multiplied by a fixed redemption factor allocated to such valuation date.

If such Certificates have not been redeemed on a valuation date prior to their maturity, the cash amount payable on maturity is calculated as the product of the multiplier and the final reference price or, as the case may be, the product of the nominal amount multiplied by a factor linked to the performance of the underlying or, as the case may be, the product of such other variables as are specified in the Terms and Conditions of the relevant Certificates.

Such Certificates therefore involve the risk that, if the underlying price decreases materially or even becomes zero, you will lose a substantial part or even all of your investment. In addition, if the underlying reaches the redemption level applicable on one of the specified valuation dates, the Certificates will be repaid early after following such specified valuation date and you will no longer be able to participate in the positive performance of the underlying in full, due to the return being limited by the redemption factor.

In the case of Certificates whose underlying is not expressed in euros and that include Quanto hedging, the performance of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the cash amount payable at final maturity if the Certificates have a quanto hedging element.

2.2.6 Certificates with a Worst Of Element

Certificates with a Worst Of Element include more than one underlying. If one of these underlyings reaches or, if the case may be, falls below a lower barrier the Redemption Amount payable on maturity is pursuant to the performance of the underlying which shows the worst performance over the term of the Certificates. Therefore, an investor is exposed to a higher risk than being invested in a Certificate with only one underlying. Even if the other underlyings have a better, i.e. a less negative or even a positive performance, there is no possibility for an investor to participate in the performance of the other underlyings.

2.2.7 Certificates with conditional early repayment and additional lower barrier

The following points apply in addition to the points specified in 2.2.5 Certificates for which conditional early redemption and a lower barrier is specified to be applicable in the Final Terms:

If the final reference price of the underlying is equal to or greater than the lower barrier, the cash amount is equal to the minimum cash amount calculated as set out in the Terms and Conditions of the relevant Certificates which may either be the nominal amount multiplied by a factor specified in the Final Terms, or the initial reference price multiplied by the multiplier or another amount.

If the final reference price of the underlying is determined below the lower barrier, the cash amount is calculated as the product of the multiplier and the final reference price or, as the case may be, the product of the nominal amount multiplied by a factor linked to the performance of the underlying or, as the case may be, the product of such other variables as are specified in the relevant Final Terms.

Risk of accelerated price deterioration if the price of the underlying moves close to the lower barrier

Generally speaking, the price of a Certificate with conditional early redemption and an additional lower barrier moves in the same direction as the underlying. However, the price movements do not necessarily move in parallel, i.e. if, for example, the price of the underlying moves close to the or a lower barrier and the Issuer assumes that the lower barrier is very likely to be breached, this has a negative impact on the price of the Certificate, which will fall significantly faster than the price movement of the underlying. The level of price movements or decreases of the prices of the Certificates depends on many factors, as reflected in the Issuer's pricing model, but is particularly influenced by the volatility of the underlying and residual maturity of the certificate.

If it is not the lowest price (being the lowest price at any time during the term of the Certificates) but the final reference price (being the price of the underlying on the valuation date) that is relevant for the determination whether the lower barrier is breached, this may increase price movements in the Certificates the closer final maturity of the Certificates gets.

The intensity of a decrease in the price of the underlying and the distance from the lower barrier (measured in price units of the underlying) at which such decrease occurs also depends on what is known as the "gap risk" characteristic of volatility. This refers to the risk of a significant decrease of the price of the underlying between the close of business on the previous day and the start of business on the following trading day or to the risk of intraday jumps in price. Such gaps are estimated for the future and passed on to the buyers of Certificates by the Issuer in the form of the pricing of the Certificates. The higher the gap risk, the greater the distance from the lower barrier at which the Certificates begin to see an increasing or accelerated drop in price.

Hedging transactions by the Issuer

There is always the possibility that building up or closing out of hedging positions by the Issuer could amplify the price movement of the underlying to such an extent that this itself would cause the lower barrier to be breached, resulting in a corresponding fall of the certificate's price. The closer the price of the underlying moves to the lower barrier and the higher the volatility of the underlying, the greater the risk of the lower barrier being breached for the first time.

2.2.8 Certificates with conditional physical delivery

If the conditions for physical delivery set out in the relevant Final Terms are fulfilled, delivery of the underlying will be made within a number of Bank Business Days defined in the Final Terms after the Valuation Date (subject to any technical delays that cannot be influenced by the Issuer). You will have to bear the risk of fluctuations in the price of the underlying until the time of delivery.

If the Certificates are redeemed by delivery of a quantity of underlyings, you will not receive a monetary amount upon maturity, but a right to the respective underlyings that is transferable in accordance with the terms and conditions of the relevant security depositary system. In such a case, as you will be exposed to the specific issuer and security risks associated with the underlyings, you should exercise your own due diligence with respect to the underlyings when purchasing the Certificates.

Furthermore, you should not assume that you will be able to sell the underlyings for a specific price after the valuation date, in particular not for a price corresponding to the amount of capital used to purchase the Certificates. However, if not sold, the Underlyings may decrease in value or may in fact become worthless. In this case you run the risk of losing all of the capital used to purchase the Certificates (including the associated transaction costs).

Commissions and other transaction costs that, as the case may be, may arise on disposal or redemption of the Underlyings may – in particular in the case of a low order value – lead to an exceptionally negative effect on the costs and therefore lower the proceeds from the Underlying.

Potential investors should consult their own tax adviser regarding the individual taxation in connection with purchase, holding and disposal or redemption of the underlyings. Only tax advisers are able to consider the specific situation of the investor conveniently.

The disposal of the underlyings requires market participants willing to purchase the underlyings at a corresponding price. In the event that no market participants willing to purchase the underlyings are to be found, the value of the underlyings may not be realised. No obligation of the Issuer arises from the issue of the Certificates towards the holders of the underlyings to effect a market balancing for the underlyings and/or to repurchase the underlyings.

2.2.9 Outperformance Certificates

The outperformance Certificates described in this Base Prospectus generally entitle the investor the right upon final maturity to payment of a cash amount that corresponds to the initial reference price plus the difference between the relevant final reference price and the respective initial reference price multiplied by a participation factor, with the result then multiplied by the multiplier or, if the final reference price falls below the initial reference price, the final reference price expressed in euro, multiplied by the multiplier.

In the case of outperformance Certificates whose underlying is not expressed in euros and that include quanto hedging, the performance of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the cash amount payable at final maturity if the Certificates have a quanto hedging element.

Risk of accelerated price deterioration if the price of the underlying moves close to the initial reference price

Generally speaking, the price of an outperformance Certificate moves in the same direction as the underlying. However, the price movements do not necessarily move in parallel, i.e. if, for example, the price of the underlying moves close to the initial reference price and the Issuer assumes that the price of the underlying is very likely to fall below the initial reference price, this has a negative impact on the price of the outperformance certificate, which will fall significantly faster than the price movement of the underlying. The level of price movements or decreases of the prices of the Certificates depends on many factors, as reflected in the Issuer's pricing model, but is particularly influenced by the volatility of the underlying and residual maturity of the certificate.

Unlike products with a lower barrier, it is not the lowest price (being the lowest price at any time during the term of the Certificates) but the final reference price (being the price of the underlying on the valuation date) that is relevant for the determination if the cash amount is higher than the return that would have been received from a corresponding investment in the underlying. This may increase price movements in the Certificates the closer final maturity of the Certificates gets.

2.2.10 TwinWin Certificates

The TwinWin Certificates described in this Base Prospectus generally convey to the investor the right upon final maturity to receive the final reference price multiplied by the multiplier, or, as the case may be, the nominal amount multiplied by the performance of the underlying, if the final reference price of the underlying is higher than the lower barrier. If the final reference price of the underlying is equal to or lower than the lower barrier, the cash amount will be determined as follows: (a) if the lowest price of the underlying at any time during the valuation period never is lower than the lower barrier, the cash amount is equal to the nominal amount multiplied by the difference between 100% and the performance of the underlying or, (b) if the lowest price of the underlying at any time during the valuation period is equal to or below the lower barrier, the cash amount is equal to the nominal amount multiplied by the performance of the underlying.

In the case of TwinWin Certificates whose underlying is not expressed in euros and that include quanto hedging, the performance of the underlying is converted to euros not on the basis of the exchange rates on the Forex markets at that time, but on the basis of a fixed exchange rate. This means that any change in the relevant exchange rate during the term of the Certificates has no effect on the price at final maturity if there is Quanto hedging.

Risk that the lower barrier will be breached while you are unable to sell your Certificates on the secondary market due to limited regular trading hours

You face the general risk of a price movement in your Certificates due to the lower barrier having been breached outside regular trading hours for the Certificates. This risk can occur to the extent that the trading hours for the Certificates (with regard to the Issuer/stock exchanges on which these are listed where applicable) differ from the regular trading hours for the underlying used as the basis for determining whether or not the price has reached or fallen below the lower barrier.

This problem applies above all to underlying instruments that are traded in time zones that are far away from Central Europe, such as American or Japanese shares or share indices in those regions. The same problem can arise if the Certificates cannot be traded on the secondary market due to a (local) public holiday when the underlying's home market is open for business.

Hedging transactions by the Issuer

There is always the possibility that building up or closing out of hedging positions by the Issuer could amplify the price movement of the underlying to such an extent that this itself would cause the lower barrier to be breached, resulting in a corresponding fall of the certificate's price. The closer the price of the underlying moves to the lower barrier and the higher the volatility of the underlying, the greater the risk of the lower barrier being breached for the first time.

2.2.11 Open-End Certificates

Open-End Certificates are Certificates, which, in contrast to Certificates with a fixed term (so-called Closed End Certificates) do not have an expiration date and accordingly have no fixed term. Therefore, the Open-End Certificates of each Certificate Holder must in each case be exercised in accordance with the exercise procedure set forth in the Terms and Conditions of the Certificates. In the case of Open-End Certificates, the Issuer has the right to cancel and redeem the certificates early by giving notice subject to a term specified in the Certificate Conditions.

Cancellation by the Certificate Holder and/or redemption by the Issuer have the consequence that the Certificate Holder will only participate in the performance of the Underlying until the date of exercise of the right. In such a case, participation in any further performance of the Underlying is excluded.

If the Certificate Holder exercises his right and/or the Issuer redeems the Certificate, the Issuer may charge a Management Fee. Such a fee may reduce the cash amount and/or the relevant performance of the Underlying in accordance with the fee amount. The Issuer may be authorized to adjust the Management Fee during the term of the Certificates.

2.2.12 Certificates with unconditional minimum redemption

The cash amount per Certificate for Certificates with an unconditional minimum redemption normally equals at least to the nominal amount or the price of the underlying on the initial valuation date multiplied by the multiplier. Therefore, the risk of loss is limited to the difference between the amount invested to purchase the certificates (including transaction costs) and the minimum cash amount. However, there is the risk of loss of all money invested to purchase the certificates (including transaction costs) in the case of the issuer's insolvency. For this reason certificates with an unconditional minimum redemption may be traded at a price which is under the minimum redemption amount during their term. An investor cannot rely on being able to sell the purchased certificates at least at the minimum redemption amount during their term. Furthermore the relevant Final Terms may provide for a unconditional minimum redemption which is less than the nominal amount or the price of the underlying on the initial valuation date multiplied by the multiplier.

2.2.13 Certificates with combined structural elements

Certificates may also consist of other combinations of the structural elements described before (conditional minimum redemption, maximum redemption, conditional early redemption, physical delivery). You may not assume that the sample combinations (e.g. maximum redemption with additional lower barrier (i.e. with additional minimum redemption)) are the only combinations of elements for Certificates issued under this Base Prospectus. In such cases the relevant Final Terms will specify the applicable structural elements and the risks for all relevant elements which have been described before will have to be looked at. The combination of structural elements may therefore lead to a materially higher risk as compared to Certificates with only on element.

2.3 SPECIFIC RISK FACTORS ASSOCIATED WITH CERTAIN UNDERLYINGS

Certificates with exchange rates as underlying

Exchange rates show the price of one currency in terms of another, that is, the number of units of one currency that may be exchanged for one unit of another currency. The most important currencies in the international foreign exchange markets are the US dollar (USD), the euro (EUR), the Japanese yen (JPY), Swiss francs (CHF) and British pound (GBP). For example, the exchange rate "EUR/USD 1.5075" means, that for the purchase of one euro, 1.5075 US dollar have to be paid. An increase of this exchange rate therefore means an increase of the euro against the US dollar. In contrary, the exchange rate "USD/EUR 0.6645" means that for the purchase of one US dollar, 0.6645 euro have to be paid. An increase of this exchange rate therefore means an increase of the US dollar against the euro.

Exchange rates are determined by supply and demand for currencies on international foreign exchange markets, which are subject to economic factors, e.g. the inflation rate of the respective country; interest differences to foreign countries; the assessment of the respective business trend; the political situation worldwide; the convertibility of a currency into another and the reliability of an investment in the respective currency and measures taken by governments and central banks (e.g. exchange controls and restrictions). Apart from those assessable factors there are also factors that are hardly assessable like factors of a psychological nature. Factors of a psychological nature could be a crisis of confidence in the political leadership of a country or other speculations. Those factors of psychological nature could also have a considerable effect on the price of the respective currency.

On the one hand, reference prices for the underlying can be taken from various sources. They can be prices for exchange rates in the so-called interbank market, as most of the international exchange rate trades take place between the major banks. Those prices are published on pages of accredited financial information services (e.g. Reuters or Bloomberg). On the other hand, official exchange rates determined by central banks (e.g. European Central Bank) can also be taken as reference prices. The relevant exchange rates for specific Certificates are determined in the Final Terms.

Certificates with commodities as underlying

Commodities can be broken down in three broad categories: mineral commodities (e.g. oil, gas, aluminium and copper), agricultural commodities (e.g. wheat and corn) and precious metals (e.g. gold and silver). A good part of the commodities is traded on specialised exchanges or directly between worldwide market participants (interbank trade) in form of over-the counter investments via standardised contracts.

Commodities and the related price risks are often complex. Compared to other investment categories, the prices are subject to higher volatility. In particular, the commodity markets have a lower liquidity than bond, foreign exchange or equity markets. Therefore, changes in supply and demand have a greater impact on prices and volatility, which makes investments in commodities higher in risk and more complex.

The influencing factors on commodity prices are numerous and complex. Some of the typical factors, which can influence commodity prices, are the following factors:

a) Demand and supply

The planning and the management of the commodities supply takes time. Therefore the timeframe for supplying commodities is limited. It is not always possible to adjust the production to the changes in demand. The demand can also differ regionally. Furthermore, the transportation costs for delivering the commodities in different regions also influence the price. The cyclic performance of some commodities, e.g. agricultural commodities, which are produced during certain seasons, can highly impact on the price volatility.

b) Direct investment costs

Direct investments in commodities are associated with costs for storage, insurance and tax. Furthermore, no interests or dividends are paid for commodities. The total return on investment of commodities is influenced by these factors.

c) Liquidity

Not all commodity markets are liquid and can react fast and to an appropriate extent to changes in supply and demand. Because there are not many market participants on the commodities markets, high speculations may have negative consequences and may lead to the distortion of prices.

d) Weather and natural disasters

Bad weather conditions may influence the supply of certain commodities for a whole year. A supply crisis triggered by this may lead to high and unpredictable price volatility. The spread of diseases and the breakout of epidemics may also have an impact on agricultural commodity prices.

e) Political risks

Commodities are often produced in emerging market countries and demanded by industrial countries. The political and economical situation of emerging market countries is often less stable than in industrial countries. Emerging markets are exposed to higher risks of fast political changes and economical throwbacks. Political crises can upset the confidence of investors, which may affect the commodities prices. Martial disputes or conflicts may change the supply and demand of certain commodities. It is furthermore possible, that industrial countries may put an embargo on the export and import of goods and services. This may have a direct or indirect impact on the commodities price. Furthermore, a number of commodities producers have aligned with each other to form organisations or cartels to control the supply and therefore the prices.

f) Tax

Changes in tax and custom duties may have an increasing or decreasing effect on the profitability for commodities producers. As long as those costs are passed on to the purchasers, those changes will affect the respective commodities prices.

Certificates with futures contracts as underlying

a) General

Futures contracts are standardised forward transactions relating to financial instruments (e.g. shares, indices, interest rates or currencies) – so called financial futures – or to commodities (e.g. precious metals, wheat or sugar) – so called commodities futures.

A futures contract represents a contractual obligation to buy or sell a fixed amount of the underlying commodity or financial instrument on a fixed date at an agreed price. Futures contracts are traded on futures exchanges and are, consequently, standardised with respect to contract amount, type, and quality of the underlying, as well as delivery locations and dates where applicable.

There is normally a close correlation between the price movements of an underlying for the relevant futures contract on the spot market and prices quoted in the relevant futures markets. Futures, however, are normally traded at a discount or premium to the spot prices of their underlying. This "basis" as traders call the difference between the spot and futures prices, is on the one hand due to adjusting the spot price by related expenses (warehousing, transport, insurance, etc.) and/or income (interest, dividends, etc.) and on the other to different methods used to evaluate general factors affecting the spot and the futures markets. In addition, depending on the relevant underlying, there can be significant differences in the liquidity of the futures and the spot markets.

As the value of the Certificates depends on the market price of the underlying futures contracts specified in the respective table, it is necessary to understand how futures transactions work and are valued in addition to knowing the market for the underlying futures contracts in order to properly evaluate the risks inherent in purchasing such Certificates.

b) Rollover

Since futures contracts as underlying of the Certificates always have a fixed expiry date, the Issuer will, at a date, replace the original and each subsequent underlying futures contract with a corresponding futures contract which has contract specifications identical to the original futures contract and each subsequent futures contract except for an expiry date, which for the new contract, shall be at a later date (“Rollover”).

The Rollover shall take place on a trading day (the “Rollover Date”) during a specific period, which is usually shortly before the expiry date of the current futures contract. On the Rollover Date the Issuer will, therefore, unwind the hedges that it had entered into to cover the positions created by the original futures contracts, which are due to expire, and create corresponding positions in futures contracts with identical features but expiring at a later date.

In accordance with the scheme described above, once the Rollover has been completed the multiplier shall be adjusted on the basis of the rollover prices for the old futures contract and the new futures contract in order to maintain the economic value of the Certificates.

Certificates with baskets as underlying

A basket as underlying may consist of one or a number of different types of basket components, which may include the underlyings stipulated in this Base Prospectus, i.e. indices, shares, commodities, funds, exchange rates or futures contracts. The basket components may be equally or variably weighted. As a general rule the smaller the weighting of a basket component the lower the effect of its price performance on the price performance of the whole basket. The relevant value of the basket is calculated on the basis of the prices of each of the basket components and the respective weighting, which is allocated to each basket component. The Issuer may have the right, in certain circumstances, to subsequently adjust the composition of the basket established when issuing the Certificates. If the Issuer has such a right you may not assume that the composition of the basket will remain constant during the life of the Certificates.

The cash amount of Certificates linked to a basket may also be linked to the difference between the performances of certain basket components. Investors will then face the risk that even if one basket component performs well they lose all or part of their investments in the Certificates.

The Final Terms may contain specific risk factors relating to specific underlyings of the Certificates.

Responsibility for this Base Prospectus

Citigroup Global Markets Deutschland AG, Frankfurter Welle, Reuterweg 16, 60323 Frankfurt am Main (the "**Issuer**") is responsible for all of the information contained in the Prospectus in accordance with Section 5, paragraph 4 of the German Securities Prospectus Act. The Issuer is entered in the Commercial Register of the Local Court of Frankfurt am Main under registration number HRB 88301.

The Issuer hereby declares that the information contained in the prospectus is, to the best of its knowledge, accurate and that no material facts have been omitted.

Information about the Issuer

Information to be disclosed in respect of Citigroup Global Markets Deutschland AG as the Issuer of the Certificates can be found in the Issuer's Registration Document dated 03 May 2012, which is, with the exception of the supplementary information below, incorporated herein by reference (see page 118) in accordance with § 11 of the German Securities Prospectus Act (*Wertpapierprospektgesetz, WpPG*). The Registration Document has been deposited with the German Financial Services Supervisory Authority (BaFin).

Hard copies of the Registration Document are available free of charge at the address set forth below:

Citigroup Global Markets Deutschland AG

Frankfurter Welle

Reuterweg 16

60323 Frankfurt am Main

Description of the Certificates

1. BASE PROSPECTUS AND FINAL TERMS, AVAILABILITY OF DOCUMENTATION

This Base Prospectus is a Base Prospectus within the meaning of Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") and the corresponding German implementation legislation being the Securities Prospectus Act (*Wertpapierprospektgesetz, WpPG*). It does not yet contain the final terms of the offer. The Base Prospectus has been approved by Germany's Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungaufsicht,* "**BaFin**"), as the competent authority in Germany within the meaning of the Prospectus Directive and the Securities Prospectus Act. "Approval" means the positive act at the outcome of the scrutiny of the completeness of this Base Prospectus by BaFin, including the consistency of the information given and its comprehensibility.

The specific terms and conditions relating to the respective offering of Certificates are contained in the final terms of the offer (the "**Final Terms**"). The Final Terms shall be presented as a separate document providing for the relevant information items, which have not been included in this Base Prospectus. It is therefore only possible to gain a comprehensive impression of the Issuer and the Certificates through examination of the Base Prospectus, as amended by supplements, if any, together with the corresponding Final Terms.

Hard copies of the relevant Final Terms and this Base Prospectus will be available free of charge at the address set forth below:

Citigroup Global Markets Deutschland AG
Retail Structured Products – Public Distribution / New Issues
Frankfurter Welle
Reuterweg 16
60323 Frankfurt am Main

The Final Terms shall be filed with BaFin and communicated to investors on the day of the commencement of public offer of the Certificates at the latest in the manner outlined above.

2. GENERAL NOTE ON THE PROSPECTUS

No dealer, salesman or other person is authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the offering or sale of the Certificates. If given or made, such information or representation must not be relied upon as having been authorised by the Issuer. None of this document or any further information supplied in connection with the Certificates is intended to provide the basis of any credit assessment or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this document or any further information supplied in connection with the Certificates should purchase any of the Certificates. Potential investors who are contemplating purchasing Certificates should conduct their own independent investigation of the risks involved in an investment in the Certificates. Neither this Base

Prospectus, nor other information relating to the Certificates represents an offer (in the legal sense) on the part of or on behalf of the Issuer or other persons.

3. SUBJECT MATTER OF THIS BASE PROSPECTUS

The subject matter of this Base Prospectus are Bonus / Capped Bonus / Multi Bonus / Discount / Discount Plus / Discount Plus Pro / Bonus Quanto / Capped Bonus Quanto / Multi Bonus Quanto / Discount Quanto / Discount Plus Quanto / Discount Plus Pro Quanto / Reverse Bonus / Reverse Bonus Quanto / TwinWin / TwinWin Quanto / Express / Express Quanto / Easy Express / Easy Express Quanto / Worst Of Express / Worst Of Express Quanto / Outperformance / Outperformance Quanto / Open End / Open End Quanto / Income Plus / Income Plus Quanto / Open End Faktor Certificates referenced to Indices, Shares or Certificates Representing Shares, Commodities, Funds, Exchange Rates or Futures Contracts or a basket consisting of Indices, Shares or Certificates Representing Shares, Commodities, Funds, Exchange Rates or Futures Contracts, issued by the Issuer. Details regarding the Certificates will be specified in the relevant Final Terms.

4. RISK FACTORS

The risk factors relating to the Issuer and the risk factors relating to the Certificates are set out in the section "*Risk Factors*" in this Base Prospectus.

5. IMPORTANT NOTICE

In the event that Certificates are offered during a subscription period, a load (*Ausgabeaufschlag*) may be charged on the sale of the Certificates. Details with respect hereto will be set forth in the Final Terms. The sales partners who are involved in offering the securities during the subscription period typically reserve the right to a large extent to charge other fees in addition to the load. Any load will immediately be lost at the end of the subscription period and upon payment in exchange for the delivery of the securities. In the aforementioned case, the price of the securities will immediately fall by the amount of the load.

The Issuer, its affiliated enterprises (if applicable) or other companies belonging to or affiliated with Citigroup Inc. may actively trade in the underlying, other instruments or derivatives, exchange-traded options or exchange-traded forwards referenced to the underlying, or may issue other securities or derivatives referenced to the underlying. The Companies may also act as financial advisor to the aforementioned entities with regard to the acquisition of new shares or other underlying instruments, or, in the case of share indexes, individual companies, or work together with them in commercial banking operations. The above activities may give rise to conflicts of interest and may negatively affect the price of the underlying or Certificates referenced to the underlying.

In order to hedge its obligations arising from the Certificates, the Issuer continuously trades in the underlying, in derivatives referenced to the underlying, or in other underlyings or derivatives that influence the price of the underlying or whose price or volatility closely tracks the price movement or volatility of the underlying. In general, such hedging transactions have the potential to amplify changes in the price of the underlying or the underlying's volatility, i.e. additional hedging positions may cause prices that are increasing anyway to increase even further or causes prices that are falling anyway to fall more significantly. If such price trends are amplified in this way, this correspondingly affects the price of the Certificates or the gain or loss made upon exercising the Certificates. The Issuer executes hedging transactions on an ongoing basis (i.e. at any time). The Issuer will make appropriate adjustments to its matching positions, particularly if one of the value-determining factors changes. The Issuer will also adjust its hedging positions if it sells additional Certificates (increases its net position in the relevant series of Certificates) or buys back Certificates (and decreases its net position in the relevant series of Certificates).

See also "Conflicts of Interest" (section 16 of the Description of the Certificates) regarding potential conflicts of interest.

6. REDEMPTION PROFILES OF THE CERTIFICATES

The redemption profile applicable to the relevant type of Certificates is explained in the relevant sub-section “2.2 Specific risk factors associated with the different structural elements of Certificates” (pages 48 – 58) of the section "*Risk Factors*". The Final Terms will specify the concrete formula to determine the cash amount of the Certificates.

7. INFLUENCE OF THE UNDERLYING ON THE CERTIFICATES DURING THEIR TERM

During the term of the Certificates, their price is primarily influenced by the price determined by the Issuer, since the Issuer will strive to enable secondary trading in which it sets the prices for the Certificates. The Issuer makes use of price calculation models that incorporate various influencing factors. Changes to these factors result in changes to the prices for the Certificates set on the secondary market by the Issuer.

Key influencing factors include the price of the certificate underlying, the assumed implicit volatility of the certificate and its residual maturity.

Because the cash amount of **Discount Certificates** upon final maturity depends on the reference price of the underlying, the price of the Certificates can also change on the secondary market prior to final maturity if the price of the underlying changes. If the underlying rises and all of the other influencing factors remain unchanged, the price of Discount Certificates will generally also rise. Similarly, if the underlying falls, the certificate price will generally fall too. The movements in the price of Discount Certificates are generally less pronounced than those in the price of the underlying. The percentage increase in value of Discount Certificates in relation to the percentage increase in the underlying grows smaller the closer the underlying moves to the cap, to which the cash amount payable on final maturity of the Certificates is generally limited. If the assumed implicit volatility rises, the price of Discount Certificates generally falls, and vice versa. The shorter the time to maturity, the more the price will generally rise. Further factors that influence the price of Discount Certificates include, for example, expected dividend payments on the underlying during the residual maturity of the certificate (expected dividend payments, if applicable, are incorporated differently into the pricing of certificates depending on whether the underlying takes the form of a share, share basket or index), interest rates, foreign exchange rates and fees for securities lending. In exceptional cases, these factors can also have a decisive impact on the price of the certificate.

Providing a description of the pricing factors incorporated into the Issuer’s pricing model during the term in the case of **other types of Certificates** is not as straightforward as with discount certificates, since the key factors are considerably more complex. However, the most important influencing factors again include the underlying of the Certificates, the volatility of the underlying and the residual maturity of the Certificates. A less significant role is played, for example, by, as the case may be, expected dividend payments on the underlying (e.g. expected dividend payments are incorporated differently into the pricing of the Certificates depending on whether the underlying is a share, share basket or an index) or interest payments.

If a **lower barrier** is applicable and the price of the underlying moves close to such lower barrier, the price of the Certificates can fall steeply, due to the fact that whether or not the lower barrier is reached is key to the cash amount paid upon final maturity.

The price of Certificates with a **cap** is regularly lower than the price of the same type of Certificates without a cap, since the investor relinquishes the opportunity to participate in the full performance of the underlying.

In the case of Certificates with a **quanto** element, further influencing factors are incorporated into the Issuer's pricing model. These include interest rates in the currency in which the underlying is listed, interest rates in the Cash Currency, the assumed implicit volatility of the exchange rate between the two currencies and the assumed correlation in the behaviour of the exchange rate and the price of the underlying. This generally results in Certificates with a quanto element being more expensive, though their price can also fall.

8. INCOME FROM THE CERTIFICATES

Generally, the Certificates represent a right to payment of the cash amount at final maturity in accordance with the terms and conditions of the Certificates.

Generally, they do not entitle their holders to receive dividend payments. However, the relevant Final Terms may provide for the payment of interests and therefore provide for regular income.

9. RESOLUTION CONSTITUTING THE BASIS FOR THE ISSUANCE OF THE CERTIFICATES

Citigroup Global Markets Deutschland AG, Frankfurt am Main, is offering the Certificates being the subject matter of this Base Prospectus, on the basis of a resolution adopted by the competent persons of the relevant appropriate department.

10. OFFERING METHOD, UNDERWRITERS AND ISSUE DATE OF THE CERTIFICATES

The Final Terms will provide information about the offering methods, the underwriters and issue dates for the Certificates.

10.1 OFFERING METHOD

The relevant Final Terms will specify whether

(a) the Certificates will be **offered continuously** on the open market. As of the start of public offer of the Certificates (as set out in the relevant Final Terms), the Certificates may be purchased from the Issuer during normal banking hours. The Final Terms will specify whether the Certificates may only be subscribed in a minimum investment amount. The issue price per Certificate will be specified in the relevant Final Terms and is payable on the issue date of the Certificates specified in the relevant Final Terms. After the issue date, the appropriate number of Certificates shall be credited to the investor's account in accordance with the rules of the clearing agent specified in the Final Terms, or

(b) the Certificates will be **offered during a subscription period**. The Certificates may be subscribed from the Issuer during normal banking hours within the subscription period. The Final Terms will specify whether the Certificates may only be subscribed in a minimum investment amount. The issue price per Certificate will be specified in the relevant Final Terms and is payable on the issue date specified in the relevant Final Terms. The Issuer reserves the right to earlier close or to extend the subscription period if market conditions so require. After the issue date, the appropriate number of Certificates shall be credited to the investor's account in accordance with the rules of the clearing agent specified in the Final Terms. If the subscription period is shortened or extended, the issue date may also be brought forward or postponed. After the end of the relevant subscription period the Certificates may be sold on the open market. In the event that the Certificates are offered during a subscription period, a load (*Ausgabe-aufschlag)* may be charged on the issue price of the Certificates. Details with respect thereto will be set forth in the Final Terms. The sales partners who are involved in offering the Certificates during the subscription period typically reserve the right to a large extent to charge other fees in addition to the load. Any load will immediately be lost at the end of the subscription period upon payment against delivery of the Certificates. In the aforementioned case, the price of the securities will immediately fall by the amount of the load, or

(c) whether any other offering method will be applicable.

10.2 UNDERWRITERS

The underwriters of the Certificates (who have agreed to underwrite the issue on a firm commitment basis) will be set forth in the relevant Final Terms.

10.3 START OF PUBLIC OFFERING

The Certificates will be offered for the first time either at the commencement of the open market sale or at the commencement of the subscription period specified in the relevant Final Terms.

10.4 ADDITIONAL INFORMATION

In addition, the following information will be presented in the relevant Final Terms to the extent applicable:

- Conditions to which the offer is subject.
- Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the amount of the offer.
- The time period, including any possible amendments, during which the offer will be open and description of the application process.
- Details of the minimum and/or the maximum amount of application, (whether in number of securities or aggregate amount to invest).
- Method and time limits for paying up the securities and for delivery of the securities.
- A full description of the manner and date in which results of the offer are to be made public.
- The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.
- Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made.
- Indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure. Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser.
- Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extend known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.
- Name and address of any Paying Agents and depository agents in each country.
- Entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements. Where not all of the issue is underwritten, a statement of the portion not covered.
- When the underwriting agreement has been or will be reached.
- Name and address of a Calculation Agent.
- All the regulated markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading.
- Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment.

11. STATUS, FORM AND TRANSFERABILITY OF THE CERTIFICATES

The Certificates constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking *pari passu* among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.

The Certificates are represented by one or more permanent global bearer certificate(s) and are deposited for clearing and settlement at the Clearing Agent specified by name and address in the Final Terms. No definitive Securities will be issued.

The Certificates are transferable in accordance with the rules and procedures of the Clearing Agent. No further restrictions on the transferability of the Certificates are applicable.

12. GOVERNING LAW

The Certificates will be governed in all respects by the law of the Federal Republic of Germany.

13. CURRENCY

The Certificates will be issued in the Cash Currency specified in the Final Terms. The Cash Currency is the currency in which the cash amount will be paid.

14. ADMISSION TO TRADING

The relevant Final Terms will specify whether the Issuer intends to apply for inclusion of the Certificates to trading on a Stock Exchange and will specify, to the extent known to the Issuer, the earliest possible dates on which the Certificates will be admitted to trading.

Provided that the Certificates have not been redeemed early, trading of the Certificates shall cease one trading days prior to the last valuation date or on such other date as may be specified in the Final Terms as the last exchange trading date. As of this point until the scheduled repayment date specified in the Final Terms, trading may only take place off exchange with the Issuer.

Certificates may also be issued on an unlisted basis.

15. USE OF PROCEEDS

The net proceeds from the sale of the Certificates will be used for general corporate purposes of the Issuer.

16. CONFLICTS OF INTEREST

The Issuer, its affiliated enterprises (if applicable) or other companies belonging to or affiliated with Citigroup Inc. may actively trade in the Underlying of Certificates, other instruments or derivatives, exchange-traded options or exchange-traded forwards referenced to the Underlying, or may issue other securities or derivatives referenced to the Underlying. The Companies may also act as financial advisor to the aforementioned entities with regard to the acquisition of new shares or other underlying instruments, or, in the case of share indexes, individual companies, or have a business relation with them in commercial banking operations. The above activities may give rise to conflicts of interest and may negatively affect the price of the Underlying or securities referenced to the Underlying.

In order to hedge its obligations arising from securities, the Issuer continually trades in the underlying, in derivatives referenced to the Underlying, or in other underlyings or derivatives that influence the price of the Underlying or whose price or volatility closely tracks the price movement or volatility of the Underlying. In general, such hedging transactions have the potential to amplify changes in the price of the Underlying or the volatility of the Underlying, i.e. additional hedging positions may cause prices that are increasing anyway to increase even further or causes prices that are falling anyway to fall more significantly. If such price trends are amplified in this way, this correspondingly affects the price of the Certificates or the gain or loss made upon exercising the Certificates. The Issuer executes hedging transactions on an ongoing basis (i.e. at any time). The Issuer will make appropriate adjustments to its matching positions, particularly if one of the value-determining factors changes. The Issuer will also adjust its hedging positions if it sells additional certificates (increases its net position in the class) or buys back certificates (and decreases its net position in the class).

In case that the Issuer or affiliated enterprises or third parties on its behalf act as index calculation agent or index sponsor with respect to indices which serve as underlying for certificates issued under this base prospectus and thus is in the position to influence the value and the composition of such index, conflicts of interest between its activities as Issuer of the certificates and as index calcution agent and index sponsor cannot be excluded. In such context, the Issuer or affiliated enterprises or third parties on its behalf will carry out actions and take measures which it deems necessary or appropriate in order to preserve its interests but which may adversely affect the value of the certificates.

17. TAX AND DUTIES

All taxes or other duties incurred in connection with the payment of the cash amount will be borne by the holders of the Certificates.

Any legal obligation of the Issuer to retain or deduct tax or other duties of whatever kind on capital or interest in connection with the Certificates (withholding tax) will be specified in the relevant Final Terms with respect to the countries where the Certificates are expected to be offered or admitted to trading on a regulated market.

A brief description of certain aspects of taxation in connection with the Certificates in Germany and other offering countries will be included in the Final Terms.

18. INFORMATION ON THE UNDERLYING

Information on the underlying referenced by the Certificates will be included in the Final Terms.

The Final Terms may under certain circumstances contain further specific risk factors relating to the respective underlying of the Certificates.

19. INFORMATION PUBLISHED AFTER THE ISSUE

The terms and conditions of the Certificates, which are set out in full in the relevant Final Terms, will indicate which information will be published after the issue date of the Certificates.

Examples of such publications are modifications to the terms of the Certificates as a result of adjustments to the underlying, which may affect, for example, the terms for calculating the cash amount or relate to a replacement of the underlying itself. Additional examples include the early repayment of the Certificates because an adjustment is impossible.

Unless prescribed otherwise by the provisions of law applicable at the respective point in time in the countries where the Certificates are offered publicly or listed on the stock exchange, the publication will be made at the choice of the Issuer either in one or more periodicals common or with large circulation in the countries in which the Certificates are publicly offered or the Certificates are admitted to trading on an exchange, or on the Issuer's website. The Issuer will announce the respective publication medium, and any other medium as may be required for the publication to be legally valid, in the Final Terms. Any subsequent change in the publication medium will be announced by the Issuer in the respective initial publication medium.

Table [1]

[*exact name:* ●] Certificates related to [Indices / Shares or Certificates Representing Shares / Commodities / Funds / Exchange Rates / Futures Contracts or a Basket consisting of Indices / Shares or Certificates Representing Shares / Commodities / Funds / Exchange Rates / Futures Contracts] [In [•] the Certificates will be offered under the name [•]]

[NSIN]	[ISIN]	[*Insert other reference variable*]	[Underlying]	[*Insert other reference variable*]	[*Insert other reference variable*]	[Lower Barrier]	[Upper Barrier]	[Cap] [Cap Level]	[Bonus Performance] [Bonus Level]	[Multiplier] [Nominal Amount per Certificate]	[*Insert other reference variable*]
#####	#########	##########	##########	##########	##########	### #.####	### #.####	### #.####	### #.####	#.#	##########

[Valuation Period]	[Strike Date]	[Valuation Date] [Valuation Dates (t)]	[Participation Factor]	[Start of Lifetime]	[Scheduled Repayment Date]	[Interest Payment Date]	[Interest Comencement Date]	[Cash Currency]	[*Insert other reference variable*]	Issue size in number of Certificates	[*Insert other reference variables:*•]
##.##.#### - ##.##.####	##.##.####	##.##.####	###	##.##.####	##.##.####	##.##.####	##.##.####	###	####### ###	##,####,###	##########

Further specifications regarding the Underlying:

[Underlying (name from table above)]	[*Insert other reference variables*]	[ISIN of the Underlying]	[*In case of an index:* Index Sponsor] [*In case of a share:* Reference Exchange] [*In case of a commodity:* Reference Market] [*In case of a fund:* Management Company] [*In case of an exchange rate:* Reference Agent]	[*Insert other reference variables*]	[*In case of a commodity or an exchange rate:* Screen Page]	[*In case of a share:* Options Exchange]	[Reference Price]	[Reference Currency]	[*Insert other reference variables:*•]
#######	##########	#########	####, #####	##########	##########	####, #####	####	###	##########

Definitions:

[Definitions of abbreviations: [•]]

[Table 2
Composition of the [•] Basket / Weight

[Basket Component]	[ISIN of the Underlying]	[*In case of an index:* Index Sponsor] [*In case of a share:* Reference Exchange] [*In case of a commodity:* Reference Market] [*In case of a fund:* Management Company] [*In case of an exchange rate:* Reference Agent]	[*In case of a commodity or an exchange rate:* Screen Page]	[*In case of a share:* Options Exchange]	[Reference Price]	[Weighting]	[*Insert other reference variables:*•**]**
#####	#########	####, #####	##########	####, #####	####	###	##########

]
[**Table [•]**]

[*The Layout, in particular the sorting of the tables may vary for better clarity.*]

The Certificates will not be registered under the United States Securities Act of 1933; the Certificates have not been admitted to trading on a US stock exchange or the Board of Trade or in any other way approved by the Commodity Futures Trading Commission (CFTC) under the United States Commodity Exchange Act. The Issuer is not registered with the CFTC as a Commission Merchant. By purchasing and accepting the Certificates, the Certificate Holder represents that he or she is not a United States Person as defined below and that he or she will sell the Certificates in advance should he or she fall under the definition of a United States Person in the future; the Certificate Holder hereby further represents that he or she has not offered, sold or traded the Certificates directly or indirectly in the United States at any time and will likewise not do so in the future; the Certificate Holder hereby also represents that: (a) he or she has not offered, sold or traded the Certificates to a United States Person directly or indirectly at any time or negotiated with such a person and will likewise not do so in the future (whether on his or her own behalf or on behalf of a third party); and (b) he or she has not purchased the Certificates for the account of any United States Person. Upon the sale of the Certificates, the Certificate Holder hereby agrees to provide the buyer with these sale restrictions – including the following definitions – or to refer the buyer in writing to these sale restrictions.

*The following definitions apply: "**United States**" means the United States of America (including the states thereof, the District of Columbia, and the territories, possessions and other areas under the jurisdiction thereof); "**United States Person**" means any citizen or resident of the United States of America as well as any corporation or partnership or other company organised or established under the law of the United States of America or any of its territorial authorities as well as any estates and trust funds which are subject to the taxation of the United States of America, irrespective of the source of their income.*

*With respect to any activity in connection with Citigroup certificates or other derivative products in the United Kingdom, all applicable provisions of the Financial Services and Markets Act 2000 (hereinafter "**FSMA**") must be observed. Any dissemination of offers or incentives to pursue investment activity under the terms of Paragraph 21 of the FSMA may only be made or initiated in connection with the issue or sale of certificates or other derivative products in cases to which Section 21 of the FSMA does not apply.*

With respect to any activity in connection with the Certificates, particularly the acquisition or sale thereof, the provisions of law applicable in the respective country must be observed by the Certificate Holders and any other market participants involved. Normally, the Certificates may only be offered publicly if a sales or stock exchange prospectus in compliance with the provisions of the law of the country in which the public offer is made has been officially approved and published. The publication must normally be made by the person submitting the corresponding offer in the respective jurisdiction. Certificate Holders and/or persons interested in acquisition are therefore obligated to inform themselves of and comply with the provisions of the law in this regard.

Section 1
Certificate Right

Citigroup Global Markets Deutschland AG, Frankfurt am Main (the "**Issuer**") hereby grants the holder (the "**Certificate Holder**") of [*name*] Certificates (the "**Certificates**") referenced to the Underlying specified in Table [1] at the outset of these Terms and Conditions, the right (the "**Certificate Right**") in accordance with these Terms and Conditions to receive payment of the Cash Amount (Section 2) [or delivery of the Underlying in a quantity expressed by the Multiplier] from the Issuer.

Section 2
Cash Amount, [Interests,] Definitions

1. [Subject to Section 2. [2] / [3], [*TwinWin*: If the Final Reference Price of [the Underlying] [any Basket Component] [all Basket Components] [•] is [equal to or] higher than the Lower Barrier, t][T]he "**Cash Amount**" per Certificate is equal to [[•]% of] the [Final Reference Price multiplied by the Multiplier] [Nominal Amount] [multiplied by [the Performance of the Underlying] [the Worst Performance] [the total of [100%][*insert different percentage:* •] [and the difference between the Performance of the Underlying and [100%][*insert different percentage:* •]] [multiplied by the Participation Factor] [,expressed in [€] [•], whereby one [index point] [•] in each case corresponds to [€] [•] 1.00] [less the Management Fee] [*Discount Plus*: If the Price (Section 3. [•]) of [the Underlying] [any Basket Component] [all Basket Components] [•] at any time during the Valuation Period corresponds to or falls below the Lower Barrier, the Cash Amount will be equal to [the Multiplier multiplied by the lower of (i) the Final Reference Price, and (ii) the Cap] [the Nominal Amount multiplied by the lower of (i) the Performance of the Underlying, and (ii) the Cap Level]] [*different method of calculating the Cash Amount:* •].]

2. [*Bonus / Express*: If the Price (Section 3. [•]) of [the Underlying] [any Basket Component] [all Basket Components] [•] [at any time] [on not more than on [•] Calculation Dates] during the Valuation Period [never corresponds to or] falls below the Lower Barrier [*Express:* and if the Final Reference Price is not [equal to or] greater than the [Initial Reference Price] [Upper Barrier]]] [*Reverse Bonus*: If the price (Section 3. [•]) of [the Underlying] [any Basket Component] [all Basket Components] [•] never [reaches or] exceeds the Upper Barrier at any time during the Valuation Period] [*Easy Express*: If the Final Reference Price of [the Underlying] [any Basket Component] [all Basket Components] [•] is [equal to or] higher than the Lower Barrier] [*Outperformance:* If the Final Reference Price is [equal to or] greater than the Initial Reference Price], the Cash Amount per Certificate is [at least] equal to [*Bonus/Reverse Bonus and other products with minimum Cash Amount*: [the Multiplier multiplied by [the Bonus Level] [•]] [the Nominal Amount multiplied by [the [Bonus Level][Bonus Performance][(the "Bonus Amount")][•]]] [*Outperformance:* the Final Reference Price multiplied by the Multiplier and further multiplied by the Minimum Redemption Factor] [*Different method to determine the minimum Cash Amount*]. [*TwinWin:* If the Final Reference Price of [the Underlying] [any Basket Component] [all Basket Components] [•] is [equal to or] lower than the Lower Barrier, the Cash Amount will be determined as follows: (a) if the Price (Section 3. [•]) of [the Underlying] [any Bas-

ket Component] [all Basket Components] [•] at any time during the Valuation Period is never [equal to or] lower than the Lower Barrier, the Cash Amount is equal to [the Nominal Amount multiplied by the difference between [100%][insert different percentage: •] and the Performance of the Underlying] [multiplied by the Participation Factor] [•]; (b) if the Price (Section 3. [•]) of [the Underlying] [any Basket Component] [all Basket Components] [•] at any time during the Valuation Period is [equal to or] lower than the Lower Barrier, the Cash Amount is equal to [the Nominal Amount multiplied by the Performance of the Underlying] [*different method of calculating the Cash Amount:* •].

3. [*Discount Certificates and other products with Cap*: The [maximum] Cash Amount [(the "Maximum Amount")] per Certificate corresponds to the [[Initial Reference Price] [Cap] multiplied by the Multiplier] [Nominal Amount multiplied by the Cap Level]] [*Different method to determine the maximum Cash Amount:* •].

4. [*Certificates with physical delivery:* If [*insert condition:* •], instead of payment of the Cash Amount the Underlying will be delivered to the Certificate Holder in a quantity expressed by the Multiplier. If delivery of the Underlying is not possible, the Issuer shall have the right to pay a cash amount instead of delivering the Underlying. If a quantity of Underlyings would be delivered that would not represent a multiple of one (1), the Underlying will be delivered in a quantity that represents a multiple of one (1); the residual amount will be paid out in the Cash Currency (translation into the Cash Currency shall be governed by the provisions set out in Section 5.2 below) ("**Payment in Settlement of Fractions**"). The Payment in Settlement of Fractions per Certificate shall be calculated as follows: the amount payable shall correspond to the Multiplier multiplied by the [Final Reference Price] [•], but less an amount that equals the [Final Reference Price] [•] multiplied by the quantity of Underlyings actually delivered per Certificate; if appropriate, it will be rounded to [•] decimal places and rounded up from [•].][*Different method for a physical delivery*: •]

5. The following terms have the following meanings in these Terms and Conditions:

   "**Banking Day**" means [•].

   ["**Best Performance**" corresponds to [the performance of the [Underlying] [Basket Component] showing the best performance during the Observation Period] [•].]

   [["**Bonus Level**"]["**Bonus Performance**"] corresponds to the [Bonus Level][Bonus Performance] shown in the Table [1] at the outset of these Terms and Conditions.]

   ["**Cap**" corresponds to the Cap shown in the Table [1] at the outset of these Terms and Conditions.]

   ["**Cap Level**" corresponds to the Cap Level shown in the Table [1] at the outset of these Terms and Conditions.]

"**Clearing Agent**" means [Clearstream Banking AG, Frankfurt am Main] [•].

["**Currency Conversion Rate**" means [•]]

["**Currency Conversion Day**" means [•]]

["**Currency Conversion Agent**" means [•]]

["**Final Reference Price**" means [[the [Reference Price] [[•]price] of the Underlying (Section [3.1])] [less the Management Fee incurred from (and including) [the Strike Date] [•] up to (but excluding) [the Valuation Date] [•]] [the [highest][lowest] Relevant Reference Price (Section [3.[•]]) from all Basket Components (Section [3.[•]])] [the arithmetic average of the Relevant Reference Prices (Section [3.[•]]) of all Basket Components (Section [3.[•]])] on the Valuation Date [*Alternative method of calculating the Final Reference Price:* •].]

["**Initial Reference Price**" means [[the [Reference Price] [[•]price] of the Underlying (Section [3.1])] [the [highest][lowest] Relevant Reference Price (Section [3.[•]]) from all Basket Components (Section [3.[•]])] [the arithmetic average of the Relevant Reference Prices (Section [3.[•]]) of all Basket Components (Section [3.[•]])] on the Strike Date [*Alternative method of calculating the Initial Reference Price:* •].]

["**Lower Barrier**" corresponds to the Lower Barrier shown in the Table [1] at the outset of these Terms and Conditions.]

["**Minimum Redemption Factor**" means [*Outperformance:* the sum of 1 and the quotient of (i) the difference between the Final Reference Price and the Initial Reference Price, divided by (ii) the Initial Reference Price.] [*Specify different method or formula to determine the Minimum Redemption Factor*]

"**Minimum Trading Size**" means [•].

["**Nominal Amount**" corresponds to the Nominal Amount per Certificate shown in the Table [1] at the outset of these Terms and Conditions.]

["**Participation Factor**" corresponds to the Participation Factor shown in the Table [1] at the outset of these Terms and Conditions.]

["**Performance of the Underlying**" corresponds to [the quotient of the Final Reference Price and the Initial Reference Price] [the arithmetic means of the Reference Prices on the Valuation Dates (t)] [the sum of all Relevant Reference Prices of all Basket Components on the Valuation Date divided by the sum of all Relevant Reference Prices of all Basket Components on the Strike Date] [the [highest][lowest] Relevant Reference Price of all Basket Components on one of the Valuation Dates (t)] [the arithmetic means of the sum of all Relevant Reference Prices of each Basket Component on the Valuation Dates (t)] [the [highest] [lowest] Relevant Performance] [*Different calculation of the Performance of the Underlying*: •].]

["**Worst Performance**" corresponds to [the performance of the [Underlying] [Basket Component] showing the worst performance during the Observation Period] [•].]

["**Multiplier**" corresponds to the Multiplier shown in the Table [1] at the outset of these Terms and Conditions.]

["**Reference Currency**" corresponds to the Reference Currency shown in Table [1] at the outset of these Terms and Conditions.]

[*Closed End Certificates*: The "**Scheduled Repayment Date**" is[, subject to any early termination in accordance with Section [•]] [the Scheduled Repayment Date shown in [the] Table [1] at the outset of these Terms and Conditions] [the [•] Banking Day following the Valuation Date] [any day within 5 days after the later of the Valuation Date or the Currency Conversion Date] [*specify other method to determine the Scheduled Repayment Date*:•]].] [*Open End Certificates*: The "**Start of Lifetime**" of the Certificates corresponds to the Start of Lifetime shown in the Table [1]. The final maturity has not yet been established and shall be the Termination Date (Section [•] [S*pecify alternative method to determine the Start of Lifetime*: •]]).]

"**Cash Currency**" corresponds to the Cash Currency shown in the Table [1] at the outset of these Terms and Conditions.

["**Strike Date**" corresponds to the Strike Date shown in the Table [1] at the outset of these Terms and Conditions.]

["**Upper Barrier**" corresponds to the Upper Barrier shown in the Table [1] at the outset of these Terms and Conditions.]

["**Valuation Date**" means [the Valuation Date shown in the Table [1].][The Valuation Dates (t) for determining the Performance of the Underlying are [in each case the [•] starting with the [•] and ending with the [•]][the following days: •].] [The "**Valuation Date**" [in respect of Certificates that have not yet been exercised in accordance with Section 2b] shall be the Termination Date (Section 9)[, or in respect of Certificates that have been effectively exercised in accordance with Section 2b, the corresponding Exercise Date if the [Reference Price of the Underlying] [•] is usually determined after [10:00 am] [•] [(local time Frankfurt am Main)] [•] on a Calculation Date. If the [Reference Price of the Underlying] [•] is usually fixed before [10:00 am] [•] [(local time Frankfurt am Main)] [•] on a Calculation Date the Valuation Date shall be the Calculation Date, which immediately follows the Exercise Date]] [*Specify alternative method to determine the Valuation Date*: •].]

If [the][a] Valuation Date [in respect of one or more Basket Components (Section [3.[•]])] is not a Calculation Day (Section [3.[•]]), then, subject to the occurrence of a Market Disruption, the [following] [previous] day, which [in respect of all Basket Components] [the Basket Component in question] is a Calculation Day, [in respect of the Basket Component in question] shall be the [corresponding] Valuation Date. [*Specify different method for determining the Valuation Date:* •]]

["**Valuation Period**" corresponds to the Valuation Period shown in the Table [1] at the outset of these Terms and Conditions.]

[*Insert further definitions to the extent required*]

6. The Cash Amount is [where applicable, converted into [euros][●] in accordance with Section 5.2 and] be rounded to [two][●] decimal places in accordance with commercial practice.

[Section 2[a]
Automatic Early Redemption

1. If on a particular Valuation Date (t) the Performance of the Underlying on such Valuation Date (t) [reaches] or [exceeds] [●] the Redemption Level that is relevant on such Valuation Date (t), the Certificates shall mature on such Valuation Date (t) without any need for a separate termination of the Certificates by the Issuer ("**Automatic Early Redemption**"). In this case the Cash Amount to be paid by the Issuer shall correspond to the [Nominal Amount of the Certificates] [Initial Reference Price [converted in accordance with [●]] multiplied by [the Multiplier and] the Redemption Factor allocated according to this Section 2[a] to the relevant Valuation Date (t).

   The following Redemption Levels and Redemption Factors are allocated to the individual Valuation Dates (t):

[*ISIN* ●]		
Valuation Date (t):	*Redemption Level:*	*Redemption Factor:*
[1]	[●]	[●]
[2]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

[*ISIN* ●]		
Valuation Date (t):	*Redemption Level:*	*Redemption Factor:*
[1]	[●]	[●]
[2]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

[*ISIN* ●]		
Valuation Date (t):	*Redemption Level:*	*Redemption Factor:*
[1]	[●]	[●]
[2]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

[*Insert additional Tables if applicable●*]

2. The occurrence of the Automatic Early Redemption and the Cash Amount to be paid per Certificate following such Automatic Early Redemption shall be notified immediately in accordance with Section 7.

3. Upon the occurrence of Automatic Early Redemption the Cash Amount to be paid per Certificate shall be paid within [•] Banking Days following the Valuation Date (t) on which Automatic Early Redemption has occurred.]

[Section 2[b]
Exercise of the Certificates

1. The Certificates may be exercised by the Certificate Holders with effect to an Exercise Date in accordance with the following conditions (the "**Exercise Right**"). The Exercise Right may be exercised [, subject to any ordinary or extraordinary termination of the Certificates by the Issuer, in each case by [10:00am] [(Frankfurt am Main local time)] [•] from the start of the Exercise Period shown in the Table [1] on [any Banking Day in [Frankfurt am Main] [•]] [the third Friday of the months ●] [any Calculation Date until [including] [excluding] the [•]] [•] (the "**Exercise Period**"). [In case the Issuer has exercised its termination right in accordance with Section 9 the Exercise Right may be exercised no later than [10:00am] [•] [(Frankfurt am Main local time)] [•] [on the [last] [•] Banking Day in [Frankfurt am Main] [•]] [prior to] [on] the day that the termination comes into effect] [•].] [*Insert different exercise provisions:* •]

   "**Exercise Date**" means, subject to the following provisions, the Banking Day in [Frankfurt am Main] [•] during the Exercise Period on which all of the conditions set out in paragraphs 2 and 3 of this Section 2[b] are complied with by [10:00 am] [•] [(local time Frankfurt am Main)] [•]. In case such conditions are complied with on a day which is not a Banking Day in [Frankfurt am Main] [•] or the conditions are complied with after [10:00 a.m.] [•] [(local time Frankfurt am Main)] [•] on a Banking day in [Frankfurt am Main], the next following Banking Day in [Frankfurt am Main] [•] shall be the Exercise Date, provided that this day falls within the Exercise Period [*Other method to determine the Exercise Date and the relevant times for a valid exercise of the Exercise Right on such date*: •].

[2. Exercise Rights may only be exercised in each case [for at least [•] Certificates or an integral multiple thereof] [for at least [•] Certificates and subsequently [•] [individually]. [An exercise of less than [•] Certificates is invalid and shall not be effective. An exercise of more than [•] Certificates, the exact number of which is not evenly divisible by [•], shall be deemed to be the exercise of the next lower number of Certificates, which is evenly divisible by [•].] Upon the exercise of the Certificates being effective on the relevant Exercise Date all rights arising from the exercised Certificates shall automatically lapse.

3 The exercise of the Certificates shall be effective to the extent that the following conditions have been met:

(i) a legally binding, signed declaration [in the form attached hereto as Annex [1]] containing the following details must be lodged with [the [Issuer] [•]] [*one of following Paying Agents] [one of the following entities or such other entity appointed by the Issuer and notified to the Certificate Holders in accordance with Section 7 from time to time*: [•]]: (i) name of the Certificate Holder, (ii) the name and the number of Certificates for which the Exercise Rights shall be exercised, (iii) the Certificate Holder's [•] account at a bank situated in Germany to which any Cash Amount should be credited, and (iv) a declaration that neither the Certificate Holder nor any beneficial owner of the Certificates is a US Person (the "**Exercise Notice**"). The Exercise Notice shall be irrevocable and binding. The terms used in this paragraph have the meanings ascribed to them by Regulation S of the United States Securities Act of 1933 as amended from time to time;

(ii) the Certificates must have been deposited with [one of the following Paying Agents] [●] [the [Issuer] [•]] by way of being credited to the [the relevant Paying Agent's] [Issuer's] [•]'s [account at [the Clearing Agent]] [account no. 7098 with Clearstream Banking Aktiengesellschaft, Frankfurt] [account 67098 with Clearstream Banking S.A. Luxembourg] [●].][*Specify different method for exercising the Certificates: ●*]

4. If the number of Certificates specified to be exercised in the Exercise Notice deviates from the number of Certificates deposited with the [Issuer] [•], the Exercise Notice shall only be deemed to have been lodged for the number of Certificates corresponding to the lower of these two numbers. Any excess Certificates shall be transferred back to the Certificate Holder at the Certificate Holder's cost and risk.

5. All taxes, fees or other duties in connection with the exercise of the Certificates shall be borne and paid by the holder. The Issuer [and any paying agent appointed by the Issuer with respect to the Certificates] shall have the right to withhold any taxes, fees or duties from the Cash Amount, which are payable by the Certificate Holder in accordance with the aforementioned sentence.]

[Section 2[c]
Management Fee

[The "**Management Fee**" means [an amount in [Euro] [•] determined by applying the percentage rate p.a. specified as Management Fee in the Table [1] at the outset of these Terms and Conditions to the [*specify relevant amount*] on a[n] [actual/actual] [•] basis and deducted [daily] [•]].]

[The "**Management Fee**" will be calculated as follows:

$$\frac{1}{(1+\mathrm{MGF})^{n}} \;]$$

"**n**" equals [•] [the number of [calendar days] [calendar months] [calendar quarters] [calendar half-years] [calendar years] [•] since [the Strike Date] [•]]. [The first [calendar month] [calendar quarter] [calendar half-year] [calendar year] (n=1) ends [•].] [(Calculated on an actual day count basis)].

"**MGF**" equals [•].]

[*specify different method to determine the Management Fee:* [•].]]

[Section 2[d]
Interests

1. The Certificates bear interest at the interest rate which applies for the relevant Interest Period from the Interest Commencement Date specified in table [1] (the "**Interest Commencement Date**") (inclusive) until the first Interest Payment Date (exclusive) and subsequently from each Interest Payment Date (inclusive) until the next Interest Payment Date (exclusive). The Interest Amount is payable in arrears [on [each] [the] Interest Payment Date] [*insert other interest payment provision*: [•]].

2. "**Interest Payment Date**" is each Interest Payment Date specified in table [1]. [insert i*n the case of adjusted Interest Periods*: If an Interest Payment Date does not fall on a Banking Day, the Interest Payment Date will be [*where the modified following business day convention applies insert the following*: postponed to the next Bank Business Day unless it would fall within the next calendar month; in this case, the Interest Payment Date will be brought forward to the immediately preceding Bank Business Day.][*where the following business day convention applies insert the following*: postponed to the next Bank Business Day.][*where the preceding business day convention applies insert the following*: brought forward to the immediately preceding Bank Business Day.] [*insert other provision for the adjustment of Interest Payment Dates*: [•]]

   "**Interest Period**" means the period from the Interest Commencement Date (inclusive) until the first Interest Payment Date (exclusive) or from each Interest Payment Date (inclusive) until the subsequent Interest Payment Date (exclusive).

   The "**Interest Rate**" [for the [•] Interest Period (inclusive)] [until the [•] Interest Period (inclusive)] corresponds to [•] [for the [•] Interest Period and [•] the [•] Interest Period] [for the relevant Interest Period [and all subsequent interest periods]] Period [, but at least [•] (the "**Minimum Interest Rate**")] [and] [,] [but at most [•] (the "**Maximum Interest Rate**")]

   ["**Interest Run**" is [each period from [•] (inclusive) to [•] (inclusive)].]

   The interest amount (the "**Interest Amount**") is determined by applying the Interest Rate and the Day Count Fraction to the Nominal Amount of each Certificate, with the resulting amount being rounded up or down to the smallest unit of the Cash Currency, where 0.5 of such units are rounded up.

"**Day Count Fraction**", means, in respect of the calculation of an Interest Amount for any period of time (a "**Calculation Period**"):
[[*If Actual/Actual (ICMA Rule 251) applies and if the Interest Calculation Period is shorter than the reference period in which the Calculation Period falls or to which it corresponds (including in the case of a short coupon), insert the following*:] the number of days in the Calculation Period, divided by the product of (1) the number of days in the relevant Reference Period and (2) the number of Reference Periods which usually end in one year.]

[[*If Actual/Actual (ICMA Rule 251) applies and if the Calculation Period is longer than a Reference Period (long coupon), insert the following*:] the sum of:
(A) the number of days in the Calculation Period that fall in the Reference Period in which the Calculation Period begins divided by the product of (i) the number of days in said Reference Period and (ii) the number of Reference Periods which usually end in one year; and
(B) the number of days in the Calculation Period that fall in the next Reference Period divided by the product of (ii) the number of days in the relevant Reference Period and (ii) the number of Reference Periods which usually end in one year.]

[[*If Actual/Actual (ICMA Rule 251) applies, insert the following*:] "**Reference Period**" means the period from the Interest Commencement Date (inclusive) to the first Interest Payment Date (exclusive) or from each Interest Payment Date (inclusive) to the next Interest Payment Date (exclusive). [[*In the case of a first or last long or short interest Calculation Period, insert the following*:] For the purpose of determining the relevant Reference Period, the [*insert notional commencement of interest accrual or notional interest payment date*: [●]] will be deemed to be the [Interest Commencement Date] [Interest Payment Date].] [*In the case of a first or last long interest calculation, insert the following*:] For the purpose of determining the relevant Reference Period the [*insert notional commencement of interest charge [and] [or] notional Interest Payment Dates[s]*: [●]] will be deemed to be the [Interest Commencement Date] [and] [Interest Payment Date[s]].]]

[[*In the case of Actual/360, insert the following*:] the actual number of days in the Calculation Period divided by 360.]

[[*In the case of 30/360, insert the following*:] the number of days in the Calculation Period divided by 360 (in which case the number of days is to be calculated based on a year of 360 days with twelve months of 30 days each (unless, (i) the last day of the interest Calculation Period falls on the 31st day of a month while the first day of the interest Calculation Period falls neither on the 30th nor on the 31st day of a month, in which case the month of the last day of the Calculation Period must not be treated as a month shortened to 30 days, or (ii) the last day of the interest Calculation Period falls on the last day of February, in which case February is not to be treated as a month lengthened to 30 days)).]

[*Insert other rules for the interest calculation*: ●]]

Section 3
Underlying, Determination of Reference Price, Adjustments

[[*In the case of a share as Underlying or shares as Basket Components insert:*]

[[*In the case of mixed baskets insert:*] in respect of shares as Basket Components:]

1. The "**Underlying**" is [the share of the company specified as Underlying in the Table or the certificate representing shares of the company shown in the Table] [the basket of shares [and [*insert different Basket Component:* ●] specified in Table 1, which is shown in more detail in Table [2]] (the "**Basket**"). [In respect of shares as Basket Components the following applies:] "**Basket Component**" corresponds to each of the shares or, as the case may be, certificates representing shares specified as Basket Components in Table [2]]. [*If applicable regulations governing rebalancing of the Basket:* ●]

2. [The "**Reference Price**" corresponds to the price of the [Underlying] [respective Basket Component] specified as Reference Price in [the] Table [2 for the respective Basket Component], as calculated and published on the Calculation Dates on the Reference Exchange (the "**Reference Exchange**") shown in [the] Table [2 for the respective Basket Component] [, if applicable multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2]. [The "**Price**" of the Underlying corresponds to [the prices as continuously calculated and published for this share on Calculation Dates on the Reference Exchange] [the arithmetic average of the prices of the Basket Components calculated and published on Calculation Dates on the Reference Exchange [at [●]]] [the total of the prices of the Basket Components calculated and published on the Reference Exchange on Calculation Dates [at [●]] [, [if applicable] multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2] [the Relevant Reference Price on Calculation Dates]. [The "**Weighting**" corresponds to the Weighting allocated to the respective Basket Component in Table 2.] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of this Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient from the [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t) divided by the Reference Price of this Basket Component on the Strike Date] [Reference Price of this Basket Component on the Valuation Date divided by the Reference Price of this Basket Component on the Strike Date].] "**Calculation Dates**" are days on which the [Underlying] [respective Basket Component] is commonly traded on the Relevant Exchange.][*Different Reference Price / different Price / different Relevant Reference Price / different Relevant Performance / different Calculation Date definition:* ●]

[3. In case that an Adjustment Event pursuant to paragraph 4 occurs, the Adjustment Agent will determine whether such Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the Underlying and, if so, will make such adjustments, if necessary, to the affected terms of the Certificates which at its reasonable discretion is appropriate in order to account for the diluting, concentrative, or other effect and to the extent possible to maintain the economic position of the Certificate Holders as it was before the occurrence of the Adjustment Event. The Adjustments may refer to the [Lower Barrier][,] [the Upper Barrier][,] [the Multiplier][,] [the Cap][,] [the Initial Reference Price] [and] [the Weighting of a relevant Basket Component] and to a replacement of the Underlying by a basket of shares or other assets or in the case of a merger by shares of the acquiring company or the newly established company under determination, as the case may be, of another exchange as Relevant Exchange and another currency as Relevant Currency. The Adjustment Agent can arrange (however, is not obliged) the provision of such adjustment to the adjustment that conducts a Futures Exchange, on which at the time of the Adjustment Event options or futures contracts relating to the Share are traded, to the options or futures contracts relating to the Share that are traded on the Futures Exchange for reason of the respective Adjustment Event.

4. “Adjustment Event” is

(a) a subdivision (stock split), consolidation (reverse stock split) or reclassification of the relevant shares or a distribution of dividends on any such share by way of bonus shares, stock dividends or similar issues;

(b) an increase of the capital of the company by issuing to its shareholders direct or indirect subscription rights for new shares in consideration for cash ("Capital Increase for Cash");

(c) an increase of the capital of the company through capitalisation of reserves ("Capital Increase through Capitalisation of Reserves");

(d) granting of direct or indirect rights to subscribe to bonds or any other securities with option or conversion rights by the company to its shareholders ("Issue of Securities with Option or Conversion Rights");

(e) distribution of an extraordinary dividend;

(f) a spin off of a division of the company in such as manner that a new independent company is created or the division is absorbed by another company, whereby the shareholders receive shares for no consideration either in the new company or in the company that absorbed the division;

(g) a permanent delisting of the Underlying on the Relevant Exchange due to consolidation, amalgamation or merger or for any other reason;

(h) any other event that may have a diluting, concentrative or other effect on the theoretical value of the Underlying.

(i) The rules in the above paragraphs shall apply accordingly to certificates representing shares (such as ADR, ADS, GDR) as Underlying.

5. The calculation of the Adjustments will be conducted by the Adjustment Agent. The “**Adjustment Agent**” is an expert which will be named by the Issuer at its reasonable discretion and commissioned with the computation of the Adjust-

ments for the Certificates without delay immediately following the occurrence of an event which necessitates an adjustment. The determinations of the Adjustment Agent referred to in the previous paragraphs will be final and binding, except in the case of obvious errors. The Issuer will announce the Adjustments determined by the Adjustment Agent and the initial date of their application without undue delay in accordance with Section 7.

6. In case of initiation of a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up or any analogous proceeding affecting the Company or in case of an action by which all shares or all or essentially all assets of the Company are nationalised or expropriated or required to be transferred to government agencies, authorities or institutions or should the Issuer after occurrence of a similar event reach the conclusion that no financially appropriate Adjustment to the occurred modification is possible by means of an Adjustment, the Issuer is entitled to early terminate the Certificates by issuing a notification in accordance with Section 7 specifying the Early Repayment Amount, as defined below, and the date on which such Early Repayment Amount is to be paid (the "Early Repayment Date"). The "Early Repayment Date" shall be determined no later than one month after the need for an Adjustment has been announced in accordance with b) above. In the event of a termination the Issuer shall pay to each Certificate Holder an amount (the "Early Repayment Amount"), which shall be determined by the Issuer at its reasonable discretion (§ 315 BGB) as the fair market value of the Certificate in consideration of the adjustments (including their basis) made by the Options Exchange. When exercising its discretion, the Issuer will consider prevailing market practice.

   In the event of an Early Repayment the Issuer will determine the Early Repayment Amount and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders.

   If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

7. If the Scheduled Repayment Date or the Early Repayment Date falls on a day in the period from (and including) the day on which the Adjustment Agent or the Issuer determines a reason for Adjustments up to (and including) the day on which the Adjustment Agent has communicated the Adjustments to the Issuer (the "Adjustment Period"), the payment of any Cash Amount will be made with due regard for the Adjustments determined by the Adjustment Agent within five Banking Days of the day on which the Adjustment Agent communicates the Adjustments to the Issuer.]

[*If applicable insert alternative Adjustment provisions:* ●]

[[*In the case of an index as Underlying or indices as Basket Components insert:*]

[[*In the case of mixed baskets insert:*] in respect of indices as Basket Components:]

1. The "**Underlying**" corresponds to the [Index] [basket of indices [and [*insert different Basket Component: ●*]], specified as Underlying in Table [1] [which is shown in more detail in Table 2 (the "**Basket**"). [In respect of indices as Basket Components the following applies:] "**Basket Component**" corresponds to each of the indices specified as Basket Component in Table 2]. [*If applicable regulations governing rebalancing of the Basket: ●*]

2. [The "**Reference Price**" corresponds to the price of the [Underlying] [respective Basket Component] specified as the Reference Price in [the] Table [2 for the respective Basket Component], as calculated and published on the Calculation Dates by the Index Sponsor (the "**Index Sponsor**") shown in Table [1] [2 for the respective Basket Component] [, if applicable multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2]. [The "**price**" of the Underlying corresponds to [the prices as continuously calculated and published for the Underlying by the Index Sponsor on Calculation Dates] [the arithmetic average of the prices of the Basket Components calculated and published by the Index Sponsors on Calculation Dates [at [●]]] [the sum of the prices of the Basket Components calculated and published by the Index Sponsors on Calculation Dates [at [●]] [,if applicable multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2] [the Relevant Reference Price on Calculation Dates] [*Specify different method to determine the price*]. [The "**Weighting**" corresponds to the Weighting allocated to the respective Basket Component in Table 2.] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of this Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient of the [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t) divided by the Reference Price of this Basket Component on the Strike Date] [Reference Price of this Basket Component on the Valuation Date divided by the Reference Price of this Basket Component on the Strike Date].] "**Calculation Dates**" are dates on which the [Underlying] [respective Basket Component] is calculated and published by the Index Sponsor.] [*Different Reference Price / different Price / different Relevant Reference Price / different Relevant Performance / different Calculation Date definition*: ●]

[3. [The Upper Barrier] [or] [the Lower Barrier] [or] [the Cap] [or] [the Initial Reference Price] [or] [the Weighting of the relevant Basket Component] and other terms of the Certificates relating to calculation of the Cash Amount will be adjusted on the following basis (hereinafter “**Adjustments**”).

4. Future updates in the calculation of the [Underlying] [relevant Basket Component] by the [relevant] Index Sponsor, particularly changes in the composition and weighting of the shares in the [Underlying] [relevant Basket Component], price adjustments based on price changes that are not due to market factors (e.g. as a consequence of capital adjustments or dividend payments) and oth-

er system-related adjustments will not lead, unless the prerequisites in this Section 3 have been met, to any change in [the Upper Barrier] [or] [the Lower Barrier] [or] [the Cap] [or] [the Initial Reference Price] [or] [the Weighting of the relevant Basket Component].

5. An adjustment will only be made in the event that the computation of the [Underlying] [relevant Basket Component] by the [relevant] Index Sponsor on the relevant Calculation Date no longer corresponds to the computation on the Strike Date due to a change in the method of computation. This will be the case particularly in the event that a recalculation of the [Underlying] [relevant Basket Component] in accordance with the new method of computation would, for the Strike Date, result in a value deviating from the actual value determined on such date despite the recalculation having been based on the share prices as determined on the Strike Date and the shares having been weighted as on the Strike Date. No modifications pursuant to Section 3.4 will lead to an adjustment.

6. Adjustments will be computed by an expert to be determined by the Issuer for Adjustments (the “Adjustment Agent”). The adjustments will be computed by the Adjustment Agent in such a manner that the financial position of the Certificate Holder remains essentially unchanged, as feasible, despite the modification pursuant to Section 3.5.

   The Issuer will notify the determination of the need for an Adjustment as well as the Adjustments determined by the Adjustment Agent to the Certificate Holders in accordance with Section 7.

7. In the event that the Adjustment Agent reaches the conclusion that no financially appropriate Adjustment to the occurred modification is possible by means of an Adjustment, the Issuer will recalculate the Reference Price of the [Underlying] [relevant Basket Component], taking as a basis the last value determined by the [relevant] Index Sponsor prior to the occurrence of the modification on the basis of the method of computation utilised by the [relevant] Index Sponsor on the Strike Date, including the system-related Adjustments to be made pursuant to Section 3.4.

   The Issuer will assume calculation immediately following the determination by the Adjustment Agent, retroactively determining the relevant values of the [Underlying] [relevant Basket Component] up until the occurrence of the modification.

   The Issuer will calculate the Reference Price at least once for each trading day of the [Underlying] [relevant Basket Component] and publish such values pursuant to Section 7.

8. In the event that the calculation of the [Underlying] [relevant Basket Component] is discontinued by the [relevant] Index Sponsor and the [Underlying] [relevant Basket Component] is replaced by another index, Section 3.6 will apply accordingly. The Adjustment Agent will determine the Adjustments with reference to the new index accordingly.

In the event that the calculation of the [Underlying] [relevant Basket Component] by the [relevant] Index Sponsor is discontinued without replacement, Section 3.7 will apply accordingly.

In the event that the [Underlying] [relevant Basket Component] is no longer calculated in the future by the [relevant] Index Sponsor but by another institution which continues to use the method of computation applied on the Strike Date by the [relevant] Index Sponsor, the values of the [Underlying] [relevant Basket Component] calculated by such institution will be applicable for calculating the Cash Amount. In the event that several institutions continue to perform the calculation, the Issuer will be entitled to determine the relevant institution.

9. Should the Adjustment Agent determine that it is not possible for the Issuer to continue calculating the value of the [Underlying] [relevant Basket Component], the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the Early Repayment Amount, as defined below, and the date on which such Early Repayment Amount is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the Adjustment Agent has determined that it is not possible for the Issuer to continue calculating the value of the [Underlying] [relevant Basket Component]. In the event of a termination the Issuer shall pay to each Certificate Holder an amount (the "**Early Repayment Amount**"), which shall be determined by the Issuer at its reasonable discretion (§ 315 BGB) as the fair market value of the Certificate in consideration of the adjustments (including their basis) made by the Options Exchange. When exercising its discretion, the Issuer will consider prevailing market practice.

10. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates following consultation with an expert appointed by it and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders.

    If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

11. The calculations and determinations pursuant to this Section 3 will be binding upon the Certificate Holders and the Issuer, except in the case of obvious errors.][*Specify alternative provisions governing Adjustments and/or the Early Repayment Amount:* ●]

[[*In the case of a commodity as Underlying or commodities as Basket Components:*]

[[*In the case of mixed baskets insert:*] in respect of commodities as Basket Components:]

1. The "**Underlying**" corresponds to the [Commodity] [basket of commodities [and [*insert different Basket Component:* ●]]], [specified as Underlying in Table [1]] [which is shown in more detail in Table 2 (the "**Basket**")]. [*In respect of commodities as Basket Components the following applies:*] "**Basket Component**" corresponds to each of the commodities specified as Basket Component in Table 2]. [*If applicable regulations governing rebalancing of the Basket:* ●]

2. [The "**Reference Price**" corresponds to the price for [the Underlying] [the relevant Basket Component] specified as the Reference Price in [the] Table [2 for the respective Basket Component], which is determined on the Reference Market specified in [the] Table [2 for the respective Basket Component] (the "**Reference Market**") and which is displayed on the screen page shown in [the] Table [2 for the respective Basket Component] (the "**Screen Page**") or on a substitute page. If the Screen Page is not available on the specified day or if the Reference Price is not displayed the Reference Price shall correspond to the Reference Price as displayed on the corresponding page of another financial information service. If the Reference Price is no longer displayed in one of the above forms, the Issuer is entitled to specify a Reference Price calculated on the basis of the standard market practices applicable at that time as the Reference Price. [The "**price**" of the Underlying corresponds to [the price determined by the Issuer, at its reasonable discretion, based on the price offered on the Reference Market and continuously published on the relevant Screen Page for the Reference Market] [the average prices (arithmetic average between the bid and offer prices quoted in each case)] [bid prices] [offer prices] [*different price*] for the Underlying] [the arithmetic average of the average prices (arithmetic average between the bid and offer prices quoted in each case)] [bid prices] [offer prices] [*different price*] for the Basket Components] determined by the Issuer, at its reasonable discretion [at [●]] on Calculation Dates, offered on the respective Reference Market and published on the relevant Screen Page for the Reference Market [the total of the of the average prices (arithmetic average between the bid and offer prices quoted in each case)] [bid prices] [offer prices] [*different price*] for the Basket Components] determined by the Issuer, at its reasonable discretion [at [●]] on Calculation Dates, offered on the respective Reference Market and published on the relevant Screen page for the Reference Market] [, if applicable multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2]. [The "**Weighting**" corresponds to the Weighting allocated to the respective Basket Component in Table 2.] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of this Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient from the [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t) divided by the Reference

Price of this Basket Component on the Strike Date] [Reference Price of this Basket Component on the Valuation Date divided by the Reference Price of this Basket Component on the Strike Date].] "**Calculation Dates**" are days on which the prices for the [Underlying] [respective Basket Component] on the Reference Market are normally calculated and published on the Screen Page relevant for the Reference Market.] [*Different Reference Price / different price / different Relevant Reference Price definition / different Relevant Performance definition / different Calculation Date definition:* ●]

[3. If the Reference Price for [the Underlying] [a Basket Component] is no longer calculated and published on the Reference Market, but by another person, company or institution that [the Issuer] [•], at its reasonable discretion (§ 315 BGB), deems to be suitable (the "**Replacement Reference Market**"), then the Cash Amount shall be calculated on the basis of the price for [the Underlying] [this Basket Component] calculated and published by the Replacement Reference Market. Furthermore, any reference to the Reference Market in these Terms and Conditions, depending on the context, shall then constitute a reference to the Replacement Reference Market. The replacement of the Reference Market shall be immediately notified in accordance with Section 7.

4. Should the Issuer conclude that it is not possible to determine a Replacement Reference Market for the [Underlying] [relevant Basket Component], the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the Early Repayment Amount, as defined below, and the date on which such Early Repayment Amount is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the Issuer has concluded that it is not possible to determine a Replacement Reference Market for the [Underlying] [relevant Basket Component]. In the event of an early termination the Issuer shall pay to each Certificate Holder an amount (the "**Early Repayment Amount**"), which shall be determined by the Issuer at its reasonable discretion (§ 315 BGB) as the fair market price of the Certificate immediately before the conclusion, that it is not possible to determine a Replacement Reference Market for the [Underlying] [relevant Basket Component].

5. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Central Securities Depositary for further transfer to the Certificate Holders.

   If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

6. The calculations and determinations pursuant to this Section 3 will be binding upon the Certificate Holders and the Issuer, except in the case of obvious errors.]][*Specify alternative provisions governing the determination of a Replacement Reference Market and/or the Early Repayment Amount:* ●]

[[*In the case of a fund as Underlying or funds as Basket Components insert*:]

[[*In the case of mixed baskets insert:*] in respect of funds as Basket Components:]

1. The "**Underlying**" corresponds to the [fund] [basket of funds [and [*insert different Basket Component: ●*]]], [specified as Underlying in Table [1]] [which is shown in more detail in Table 2 (the "**Basket**")]. [In respect of funds as Basket Components the following applies*:*] "**Basket Component**" corresponds to each of the funds specified as Basket Component in Table 2]. [*If applicable regulations governing rebalancing of the Basket: ●*]

2. [The "**Reference Price**" corresponds to the value of the [Underlying] [respective Basket Component] denominated in the [€][●] specified as the Reference Price in [the] Table [2 for the respective Basket Component], as calculated and published on Calculation Dates by the Management Company (the "**Management Company**") as shown in [the] Table [2 for the respective Basket Component]. [The "**price**" of the Underlying corresponds to [the net asset value for the respective fund calculated and published by the Management Company on Calculation Dates] [the arithmetic average of the net asset values for the Basket Components calculated and published by the respective Management Company on Calculation Dates] [the total of the net asset values for the Basket Components calculated and published by the respective Management Company [at [●]] on Calculation Dates] [, if applicable multiplied by the Weighting, which is allocated to the respective Basket Component in Table 2]. [The "**Weighting**" corresponds to the Weighting allocated to the respective Basket Component in Table 2.].] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of this Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient from the [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t) divided by the Reference Price of this Basket Component on the Strike Date] [Reference Price of this Basket Component on the Valuation Date and the Reference Price of this Basket Component on the Strike Date].] [*Different Reference Price / different method to determine the price / different Relevant Reference Price definition / different Relevant Performance definition / different Calculation Date definition: ●*]

[3. If [the calculation of [the Underlying] [a Basket Component] is cancelled or if [the Underlying] [a Basket Component] is replaced by another financial instrument at any time] [in the opinion of the Issuer a Replacement Event has occurred], the Issuer shall at its reasonable discretion (§ 315 BGB), if applicable by adjusting the Certificate Right accordingly in accordance with Section 3.4, stipulate which financial instrument should in future replace the [Underlying] [relevant Basket Component] (the "**Replacement [Underlying] [Basket Component]**"). The Replacement [Underlying] [Basket Component] and the time that it is first applied shall be immediately notified in accordance with Section 7. Any reference to the [Underlying] [respective Basket Component] contained in these Terms and Conditions shall in such cases constitute a reference to the Replacement [Underlying] [Basket Component]. ["**Replacement Event**" means [*specify relevant events*].]

4. If the conditions on which [the Underlying] [a Basket Component] are changed or if a change occurs, which affects the [Underlying] [Basket Component] e.g. (but not exhaustively) the failure to continue the calculation or a change in the calculation method for the net asset value of the [Underlying] [relevant Basket Component], the cancellation of the [respective] fund or the withdrawal of administrative approvals for the marketing of the [respective] fund in Germany or a change in the investment strategy of the [respective] fund, which the Issuer at its reasonable discretion considers to be material, or a consolidation, division or re-classification of the individual parts of the [respective] fund, or [*specify other events for specific funds*], the Issuer, may at its reasonable discretion (§ 315 BGB) adjust the Certificate Right, with the aim of maintaining the economic value of the Certificates. The Issuer shall determine the date on which the adjusted Certificate Right should be first applied, taking into account the time of the change. The adjusted Certificate Right and the time of its first application shall be immediately notified in accordance with Section 7.

5. Should the Issuer determine that it is not possible, for whatever reason, to determine a Replacement [Underlying] [Basket Component] or to adjust the Certificate Right in accordance with Section 3.4, the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the Early Repayment Amount, as defined below, and the date on which such Early Repayment Amount is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the Issuer has determined that it is not possible to determine a Replacement [Underlying] [Basket Component] or to adjust the Certificate Right in accordance with Section 3.4. In the event of a termination the Issuer shall pay to each Certificate Holder an amount (the "**Early Repayment Amount**"), which shall be determined by the Issuer at its reasonable discretion (§ 315 BGB) as the fair market price of the Certificate immediately before the determination of the Issuer, that it is not possible to determine a Replacement [Underlying] [Basket Component] or to adjust the Certificate Right in accordance with Section 3.4.

6. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders.

   If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

7. The calculations and determinations pursuant to this Section 3 will be binding upon the Certificate Holders and the Issuer, except in the case of obvious errors.][*Specify alternative provisions governing the determination of a Re-*

placement Underlying or Basket Component and/or the Early Repayment Amount: ●]

[[*In the case of an exchange rate as Underlying or exchange rates as Basket Components insert*:]

[[*In the case of mixed baskets insert:*] in respect of exchange rates as Basket Components:]

1. The "**Underlying**" corresponds to the [exchange rate] [basket of exchange rates [and [*insert different Basket Component:* ●]], specified as Underlying in [the] Table [1, which is shown in more detail in Table 2 (the "**Basket**"). [In respect of exchange rates as Basket Components the following applies:] "**Basket Component**" corresponds to each of the exchange rates specified as Basket Component in Table 2]. [*If applicable regulations governing rebalancing of the basket:* ●]

2. [The "**Reference Price**" of the [Underlying] [respective Basket Component] corresponds to [the exchange equivalent denominated in the Dealing Currency for [€] [●] 1.00 as calculated and published by the reference agent shown in [the] Table [2 for the respective Basket Component] (the "**Reference Agent**") on the screen page specified in [the] Table [2 for the respective Basket Component] (the "**Screen Page**") or on a substitute page. If the Screen Page is not available on the specified day or if the Reference Price is not displayed the Reference Price shall correspond to the Reference Price as displayed on the corresponding page of another financial information service.] [the exchange equivalent denominated in the Dealing Currency for a unit of the Price Currency, calculated on the basis of the exchange equivalent denominated in the Dealing Currency for [€] [●] 1.00 divided by the exchange equivalent denominated in the Price Currency for [€] [●] 1.00, in each case as calculated and published by the Reference Agent shown in [the] Table [2 for the respective Basket Component] (the "**Reference Agent**") on the screen page specified in [the] Table [2 for the respective Basket Component] (the "**Screen Page**") or on a substitute page. If the Screen Page is not available on the specified day or if the Reference Price is not displayed the Reference Price shall correspond to the Reference Price as displayed on the corresponding page of another financial information service.] [, multiplied by the Weighting, if applicable, which is allocated to the respective Basket Component in the Table 2]. [[The "**Dealing Currency**" corresponds to the Dealing Currency shown in the Table [2 for the respective Basket Component].] [The "**Price Currency**" corresponds to the Price Currency shown in the Table [2 for the respective Basket Component].] [The "**price**" of the Underlying corresponds to [the exchange equivalent denominated in the Dealing Currency for [€] [●] 1.00 as continuously calculated and published for the Underlying by the Reference Agent] [the arithmetic average of the exchange equivalent denominated in the Dealing Currency for [€] [●] 1.00 of the Basket Components as continuously calculated and published by the Reference Agent] [the sum of the exchange equivalent denominated in the Dealing Currency for [€] [●] 1.00 of the Basket Components as continuously calculated and published by the Reference Agent] [on any Calculation Date] [, if applicable, multiplied by the Weighting which is allocated to the respective Basket Component in Table 2].] [The "**Weighting**" corresponds to the

Weighting allocated to the respective Basket Component in Table 2.] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of this Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of this Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient of the [arithmetic average of the Reference Prices of such Basket Component on all Valuation Dates (t) and the Reference Price of such Basket Component on the Strike Date] [Reference Price of such Basket Component on the Valuation Date and the Reference Price of such Basket Component on the Strike Date].] "**Calculation Date**" is any day on which the [Underlying] [respective Basket Component] is scheduled to be calculated and published by the Reference Agent.] [*Different Reference Price / different price / different Relevant Reference Price definition / different Relevant Performance definition / different Calculation Date definition:* ●]

[3. To the extent the [Underlying] [relevant Basket Component] is changed due to provisions made by the Reference Agent or third parties or due to other circumstances as specified in the following paragraph, the Issuer has the right to adjust the [the Upper Barrier] [or] [the Lower Barrier] [or] [the Cap] [or] [the Initial Reference Price] [or] [the Weighting of the relevant Basket Component] and other terms of the Certificates relating to calculation of the Cash Amount.

4. [To the extent that the legal tender of any country referred to in these Terms and Conditions is replaced by another currency [through any measures or sanctions imposed by a governmental or state authority of such country], the Issuer has the right to amend these Terms and Conditions to the effect that any references to the legal tender that has been replaced shall be deemed to be references to the currency replacing such legal tender, whereby amounts expressed in the replaced legal tender shall be converted in amounts expressed in the replacing currency at the official exchange rate published with respect to such replacement.

   If the Reference Agent replaces the calculation of the Underlying based on the replaced legal tender by the calculation of the Underlying based on the replacing currency the Issuer shall have the right to adjust these Terms and Conditions accordingly.

5. Adjustments of the [the Upper Barrier] [or] [the Lower Barrier] [or] [the Cap] [or] [the Initial Reference Price] [or] [the Weighting of the relevant Basket Component] and other terms of the Certificates relating to calculation of the Cash Amount will be computed by an expert to be determined by the Issuer for adjustments (the “Adjustment Agent”). The adjustments will be computed by the Adjustment Agent in such a manner that the financial position of the Certificate Holder remains essentially unchanged, as feasible, despite the modification pursuant to Section 3.3 and 3.5.

   The Issuer will notify the determination of the need for an adjustment as well as the adjustments determined by the Adjustment Agent to the Certificate Holders in accordance with Section 7

6. In the event that the Adjustment Agent reaches the conclusion that no financially appropriate adjustment to the changed circumstances is possible by means of an adjustment, the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the date on which the Early Repayment Amount (as defined below) is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the Adjustment Agent has determined that no financially appropriate adjustment to the changed circumstances is possible by means of an adjustment.

7. In the event that the [Underlying] [relevant Basket Component] is no longer calculated by the [relevant] Reference Agent but by another institution which continues to use the method of computation applied on the Strike Date by the [relevant] Reference Agent, the values of the [Underlying] [relevant Basket Component] calculated by such institution will be used for calculating the Cash Amount. In the event that several institutions continue to perform the calculation, the Issuer will be entitled to determine the relevant institution. In the event that the calculation of the [Underlying] [relevant Basket Component] by the [relevant] Reference Agent is discontinued without replacement, the Issuer will be entitled to determine another appropriate institution. If there is no such other appropriate institution, Section 3.[6] shall apply accordingly.

8. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates following consultation with an expert appointed by it (the "**Early Repayment Amount**") and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders.

   If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

   The Issuer will notify the Early Redemption Amount to the Certificate Holders in accordance with Section 7.

9. The calculations and determinations pursuant to this Section 3 (including the calculations and determinations by the relevant expert appointed by the Issuer) will be binding upon the Certificate Holders and the Issuer, except in the case of obvious errors.]][*Specify alternative provisions governing Adjustments and/or the Early Repayment Amount:* ●]

[[*In the case of a futures contract as Underlying or futures contracts as Basket Components insert:*]

[[*In the case of mixed baskets insert:*] in respect of futures contracts as Basket Components:]

1. The "**Underlying**" corresponds to the [futures contract] [basket of futures contracts [and [*insert different Basket Component:* ●] (the "**Basket**")] shown in the Table [1, which is more specifically described in Table 2. [In respect of futures contracts as Basket Components the following applies:] "**Basket Component**" corresponds to each of the futures contracts specified as Basket Component in Table 2]. [*If applicable regulations governing rebalancing of the basket:* ●]

2. [The [Underlying] [respective Basket Component] shall subsequently on each [*specify replacement date*] with effect to each [*specify effective date for replacement*] be substituted by a futures contract having the same contract specifications but with an expiry date being [*specify expiry date*]. The Initial Reference Price shall be adjusted on each [*specify replacement date*] with effect to each [*specify effective date for replacement*] to reduce (or increase, as the case may be) the current Initial Reference Price by the difference between (i) the settlement price determined for the futures contract to be replaced on its last trading day, and (ii) the settlement price determined for the replacing futures contract.] [(Not Applicable)]

3. [The "**Reference Price**" corresponds to the price of the [Underlying] [respective Basket Component] specified as the Reference Price in [the] Table [2 for the respective Basket Component], as calculated and published the reference agent shown in [the] Table [2 for the respective Basket Component] (the "**Reference Agent**"). [The “**Calculation Date**” is any day on which the Reference Agent usually determines the Reference Price of the [Underlying] [respective Basket Component]. [The "**price**" of the Underlying is [any price of the Underlying calculated and published by the Reference Agent on any Calculation Date] [the arithmetic average of the prices for the respective Basket Components calculated and published by the relevant Reference Agent [on [●]] on any Calculation Date] [the sum of the prices for the Basket Components calculated and published on the relevant Reference Market [on [●]] on any Calculation Date] [, multiplied by the Weighting, if applicable, which is allocated to the respective Basket Component in Table 2]. [The "**Weighting**" corresponds to the Weighting allocated to the respective Basket Component in Table 2.] [The "**Relevant Reference Price**" of a Basket Component corresponds to the [[highest] [lowest] Reference Price of such Basket Component [on the Valuation Date] [on all Valuation Dates (t)]] [arithmetic average of the Reference Prices of such Basket Component on all Valuation Dates (t)].] [The "**Relevant Performance**" of a Basket Component corresponds to the quotient of the [arithmetic average of the Reference Prices of such Basket Component on all Valuation Dates (t) and the Reference Price of such Basket Component on the Strike Date] [Reference Price of such Basket Component on the Valuation Date and the Reference Price of such Basket Component on the Strike Date].] [*Different Reference Price / different price / different Relevant Reference Price definition / different Relevant Performance definition / different Calculation Date definition:* ●]

[4. To the extent the concept of the relevant futures contract is, in the sole discretion of the Issuer, changed in a way that the new concept is no longer comparable with the current concept of such futures contract, or if the futures contract is no longer traded on an options exchange, the Issuer shall determine an expert to calculate a hypothetical daily settlement price for such futures contract. The calculation of the hypothetical daily settlement price will be based on the concept currently in use for determining the fair value of such futures contract. Any hypothetical daily settlement price calculated in accordance with these provisions shall be deemed to be the relevant Final Reference Price for the purpose of these Terms and Conditions.

The Issuer will notify the determination of the need for an expert to calculate a hypothetical daily settlement price to the Certificate Holders in accordance with Section 7.

5. In the event that the expert reaches the conclusion that the calculation of a hypothetical daily settlement price is no longer possible, the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the date on which the Early Repayment Amount (as defined below) is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the expert has determined that the calculation of a hypothetical daily settlement price is no longer possible.

6. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates following consultation with an expert appointed by it (the "**Early Repayment Amount**") and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders.

   If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate Holders against the Issuer will be extinguished.

   The Issuer will notify the Early Repayment Amount to the Certificate Holders in accordance with Section 7.

7. The calculations and determinations pursuant to this Section 3 (including the calculations and determinations by the relevant expert appointed by the Issuer) will be binding upon the Certificate Holders and the Issuer, except in the case of obvious errors.]][*Specify alternative provisions governing the determination of a* hypothetical daily settlement price *and/or the Early Repayment Amount:* ●]

Section 4
Form of the Certificates, Collective Deposit, Status of the Certificates

[1. The Certificates issued by the Issuer are represented in one or more permanent global bearer document(s) (the "**Global Bearer Certificate**"). No definitive Certificates will be issued. The right to request the delivery of definitive Certificates is excluded. [No coupons will be issued. The right to request interest payments (Section 5) is represented in the Global Bearer Certificate.]

No [interest and no dividends] [dividends] are payable on the Certificates.

2. The Global Bearer Certificate is deposited with the Clearing Agent. The Certificates are transferable as co-ownership interests in the Global Bearer Certificate in accordance with the rules of the Clearing Agent and may be transferred in the Minimum Trading Size only. Such transfer becomes effective upon registration of the transfer in the records of the Clearing Agent.

3. The Certificates constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking pari passu among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.] [*Specify alternative provisions governing the form, collective deposit or status of the Certificates:* ●]

Section 5
Payment of the Cash Amount [and the Interest Amount], delivery of the Underlying

[1. The Issuer will, subject to the occurrence of a Market Disruption or an Adjustment Period, procure until [the fifth [Banking Day] following the later of the Valuation Date and the Currency Conversion Day] [the Scheduled Repayment Date (in any case not before the Scheduled Repayment Date)] the payment of the Cash Amount in the Cash Currency [or, as the case may be, the Underlying in a quantity expressed by the Multiplier and the Payment in Settlement of Fractions] to be credited to the account of the relevant Certificate Holder via the Clearing Agent.

[The Issuer will procure until [the [[●] Banking Day after the] last calendar day of the [relevant] Interest Period] [the Interest Payment Date] the payment of the Interest Amount to be credited to the account of the relevant Certificate Holder via the Clearing Agent. [If [the last day of the Interest Period] [the Interest Payment Date] is not a Banking Day, the transfer of the interest amount will not be made until the next Banking Day.]]

2. The currency conversion rate used for converting the Cash Amount, the Early Repayment Amount, the Payment in Settlement of Fractions as the case may be, the Interest Amount or any other amount payable under these Terms and Conditions into the Cash Currency shall be [determined by the Currency Conversion Agent on the basis of the relevant Currency Conversion Rate [bid] [mean] [ask] rate as published on [*specify screen page or other source*] at [(i) [the [Banking Day immediately following the] Valuation Date] [the [Banking Day immediately following the] latest of the Valuation Dates (t)] [and with re-

spect to the payment of the Interest Amount the [Banking Day immediately following the] [[●]th Banking Day after the] [Interest Payment Day] [last calendar day of the Interest Period]] (the "**Currency Conversion Day**") [*specify other date or dates*] or (ii) in case of the occurrence of an Early Repayment Date, on [the day, on which the relevant determination (Section 3) is made by the Issuer] [*specify other date*] ,or if this day is not a Banking Day, on the immediately succeeding Banking Day] [*Quanto*: [one (1) unit of the currency to be converted to one (1) unit of the Reference Currency] [*in case of various different currencies to be converted into the Cash Currency consider insert table with relevant screen page or other source and date of conversion*] [*specify other method*: •]].

[In case that controversial [bid] [mean] [ask] rates are published on such page or no relevant [bid] [mean] [ask] rate is published on such page, the Issuer is entitled to use an appropriate [bid] [mean] [ask] rate as published by another comparable provider of financial information (e.g. Bloomberg), calculated with a similar calculation methodology. The determination of the provider of financial information shall be done at the Issuer's reasonable discretion pursuant to § 315 of the German Civil Code ("BGB").

In case that the Currency Conversion Rate is not determined or quoted in the manner described above, the Issuer shall be entitled to determine the Currency Conversion Rate on the basis of the then prevailing market practice.]

3. The Issuer will be discharged from its obligations under the Certificates by payment of the Cash Amount or, as the case may be, delivery of the Underlying in a quantity expressed by the Multiplier [, payment of the relevant Interest Amount] and the Payment in Settlement of Fractions or by payment of the Interest Amounts or of any other amount due and payable under these Terms and Conditions to the Clearing Agent.

4. The period of presentation as established in § 801 section 1 sentence 1 of the BGB is reduced to ten years.

5. In the event that Citigroup Global Markets Deutschland AG is not actually or legally in a position to fulfil its liabilities from the Certificates in a legally admissible fashion in Frankfurt am Main, the due date of such liabilities will be postponed until the date on which it is actually or legally feasible for Citigroup Global Markets Deutschland AG to fulfil its liabilities in Frankfurt am Main. The Certificate Holders will not be entitled based on any such postponement to any rights against the assets of Citigroup Global Markets Deutschland AG which are located in Frankfurt am Main or elsewhere.

   The Issuer will announce the occurrence and elimination of any event described in this Section 5.5 without delay pursuant to Section 7 hereof.] [*Specify alternative provisions governing the Cash Amount, the Interest Amount or the delivery of the Underlying: ●*]

Section 6
Market Disruptions, Postponement of Valuation Date, Disruptions of Convertibility

[[*In case of indices, shares, commodities or funds as Underlying or Basket Components*:]

1. [If in the opinion of the Issuer, a Market Disruption (Section 6.2) has occurred on the Valuation Date [or, as the case may be, on any Valuation Date (t)], then the Valuation Date [or, as the case may be, the relevant Valuation Date (t)] in relation to [the] [Underlying] [affected Basket Component] [all Basket Components] shall be postponed to the next following Calculation Date, which is no longer affected by a Market Disruption. The Issuer shall make every effort to promptly notify Certificate Holders in accordance with Section 7 that a Market Disruption has occurred. There shall, however, be no obligation to make such a notification. If the Valuation Date, as a result of the provisions of this paragraph is postponed by [eight (8)] [•] consecutive Calculation Dates and the Market Disruption on that date is still continuing, then such [eighth] [•] day shall be deemed to be the [relevant] Valuation Date (t) in relation to [the] [Underlying] [affected Basket Component] [all Basket Components] and the Issuer shall, at its reasonable discretion (§ 315 BGB), determine the Reference Price in relation to [the] [Underlying] [affected Basket Component] [all Basket Components] in accordance with market conditions on such deemed Valuation Date]. In the case of the occurrence of a circumstance which is out of scope of the Issuer's responsibility and which prevents or make it unacceptable for the Issuer (i) to convert the Reference Currency of the Underlying into the Cash Currency of the Certificates in transactions which are usual in the market or (ii) not to transfer deposits which are kept in the Reference Currency of the Underlying from one jurisdiction into another or (iii) in the case of the occurrence of circumstances which are out of scope of the Issuer's responsibility which have a comparable negative influence on the convertibility of the Reference Currency of the underlying into the Cash Currency and if the Issuer concludes after consulting an expert appointed by it that a conversion of the Reference Currency of the Underlying into the Cash Currency of the Certificates is not possible, the Issuer is entitled to early terminate the Certificates by issuing a notice to the Certificate Holders in accordance with Section 7 specifying the date on which the Early Repayment Amount (as defined below) is to be paid (the "**Early Repayment Date**"). The Early Repayment Date shall be determined no later than one month after the expert has determined that the calculation of a hypothetical daily settlement price is no longer possible. Upon the occurrence of an Early Repayment Date, the Issuer will determine the fair market value of the Certificates following consultation with an expert appointed by it (the "**Early Repayment Amount**") and initiate the transfer of the Early Repayment Amount to the Certificate Holders on the relevant Early Repayment Date via the Clearing Agent for further transfer to the Certificate Holders. If no transfer of the Early Repayment Amount to the Certificate Holders is possible within three months after the Early Repayment Date, the Issuer will be entitled to deposit the corresponding amounts at the Local Court of Frankfurt am Main on behalf of the Certificate Holders at their cost and risk, waiving the right to the return thereof. With the deposit, the claims of the Certificate

Holders against the Issuer will be extinguished. The Issuer will notify the Early Repayment Amount to the Certificate Holders in accordance with Section 7.

2. "**Market disruption**" means

[[*In the case of a share as Underlying or shares as Basket Components insert*:]

[[*In the case of mixed baskets insert*:] in respect of shares as Basket Components:]

(i) the suspension or restriction of trading in [the Underlying] [one or more of the Basket Components] on the Reference Exchange or

(ii) the suspension or restriction of trading in an options or futures contract relating to [the Underlying] [one or more of the Basket Components] on [the Options Exchange specified in the Table at the outset of these Terms and Conditions] [an options exchange, on which the futures or option contracts relating to [the Underlying] [[respective] Basket Component] are traded] (the “**Options Exchange**”) or, where the [Underlying] [relevant Basket Component] is listed on a U.S. Stock exchange, the Chicago Board of Trade or the Chicago Board of Options Exchange,

to the extent that such suspension or restriction occurs [during the last half hour prior to the normal calculation of the closing price of the [Underlying] [[relevant Basket Component] and in the opinion of the Issuer such suspension or restriction is material. A restriction of the trading hours or the number of days on which trading takes place shall not constitute a Market Disruption provided that the restriction is due to a prior announced change in the rules of the relevant stock exchange.] [[O*ther method to determine a Market Disruption*:] ●]]

[[*In the case of an index as Underlying or indices as Basket Components insert*:]

[[*In the case of mixed baskets insert*:] in respect of indices as Basket Components:]

(i) the suspension or restriction of trading on the exchanges or the markets on which the securities that form the basis of the [Underlying] [Basket Component(s)] are listed or traded, generally, or

(ii) the suspension or restriction of trading of the individual securities that form the basis of the [Underlying] [Basket Component(s)] on the exchanges or the markets on which such securities are traded or of a options or futures contract on an Options Exchange on which options or futures contracts relating to [the Underlying] [the] [a] Basket Component] are traded (the “**Options Exchange**”);

(iii) the suspension of or failure to calculate [the Underlying] [[the] [a] [Basket Component] as a result of a decision by the Index Sponsor, to the extent that such suspension, restriction or failure to calculate occurs [in the last half hour prior to the normal calculation of the closing price of the [Underlying] [Basket Component] or the securities that form the basis of the [Underlying] [Basket Component] and in the opinion of the Issuer such suspension, restriction or failure to calculate is material.

A restriction of the trading hours or the number of days on which trading takes place does not constitute a Market Disruption provided that the restriction is due to a prior announced change in the rules of the relevant stock exchange.] [[O*ther method to determine a Market Disruption*:] ●]]

[[*In the case of a commodity as Underlying or commodities as Basket Components insert:*]

[[*In the case of mixed baskets insert*:] in respect of commodities as Basket Components:]

(i) the suspension or the restriction of trading or the price determination relating to [the Underlying] [the] [a] [Basket Component] on the Reference Market or

(ii) the suspension or restriction of trading in an options or futures contract relating to [the Underlying] [the] [a] Basket Component] on a futures exchange, on which the futures or option contracts relating to [the Underlying] [the] [a] Basket Component] are traded (the "**Futures Exchange**") or

(iii) the significant change in the method of price determination or in the trading conditions relating to [the Underlying] [the] [a] [Basket Component] on the Reference Market (e.g. in terms of the composition, the quantity or the Reference Currency relating to [the Underlying] [the] [respective] Basket Component]).

Any change in the trading hours of the Reference Market shall not constitute a Market Disruption provided that the change on the Reference Market is previously announced.] [[O*ther method to determine a Market Disruption*:] ●]]

[[*In the case of a fund as Underlying or funds as Basket Components insert*:]

[[*In the case of mixed baskets insert*:] in respect of funds as Basket Components:]

the failure to calculate the net asset value [of the Underlying] [[of the] [of a] Basket Component] as a result of a decision by the management company or the fund administrator] [*insert other market disruption definition*].]]

[[*In the case of an exchange rate as Underlying or exchange rates as Basket Components insert:*]

[[*In the case of mixed baskets insert:*] in respect of exchange rates as Basket Components:]

(i) the suspension or restriction in foreign exchange trading for at least one of the two currencies quoted in the exchange rate of [the Underlying] [the] [a] [Basket Component] (including options or futures contracts) or the restriction of the convertibility of the currencies quoted in such exchange rate or the effective impossibility of obtaining a quotation of such exchange rate,

(ii) any other events the commercial effects of which are similar to the events listed above,

to the extent that the above-mentioned events in the opinion of the Issuer are material.] [[O*ther method to determine a Market Disruption*:] ●]]

[[*In the case of a futures contract as Underlying or futures contracts as Basket Components insert:*]

[[*In the case of mixed baskets insert:*] in respect of futures contracts as Basket Components:]

(i) [the suspension or the restriction of trading relating to [the Underlying] [the] [a] [Basket Component] imposed by or pursuant to the rules of the Reference Agent or

(ii) the suspension or the restriction of trading by the Reference Agent in general or]

(iii) [the significant change in the method of price determination or in the trading conditions relating to the respective futures contract by the Reference Agent (e.g. in terms of the composition, the quantity or the currency relating to the underlying of the futures contract).]

A restriction of the trading hours or the number of days on which trading takes place shall not constitute a Market Disruption provided that the restriction is due to a prior announced change in the rules of the relevant Reference Market.] [[O*ther method to determine a Market Disruption*:] ●]]

Section 7
Announcements

[Unless prescribed otherwise by the provisions of law applicable at the respective point in time in the countries where the warrants are offered publicly or listed on a stock exchange, the publication will be made in one or more periodicals common or with large circulation in the states in which the public offer has been submitted or the security admitted to trading on an exchange. Publication in one of these periodicals will be sufficient for legal validity. [The Issuer is entitled to publish notices on its website in lieu of in the aforementioned periodicals. The Issuer will notify any such change of the publication medium in one of the aforementioned newspapers.][*Other provisions governing announcements*: ●]

Section 8
Further Issues

The Issuer may at any time without the approval of the Certificate Holders increase the volume of offered Certificates (even for individual series) beyond the volume mentioned in the Table [1] by offering further Certificates at the same terms. In the event of such a further offer, the term "Certificates" will also encompass the additionally offered Certificates. The Issuer is entitled at any time to repurchase Warrants via the exchange or over-the-counter transactions at any price. The Issuer is under no obligation to inform the warrant holders of such repurchases. The repurchased Warrants may be cancelled, held, sold on, or used in another way by the Issuer.

Section 9
Early Termination by the Issuer

[Not Applicable]

[The Issuer is entitled to terminate the Certificates in whole, but not in part, with a notice period of [●] by publication of a notice in accordance with Section 7 with effect as of [specify date/dates] ([in each case a] [the] "**Termination Date**")[, at the earliest, however, with effect as of ●]]. Any termination notice given in accordance with this Section 9 by the Issuer shall be irrevocable and shall specify the relevant Termination Date.] [[The Certificate Holders shall not have the right to request early termination of the Certificates] [*Specify circumstances, under which Certificate Holders may request early redemption of the Certificates; further, specify notice period and method of exercise applicable in such case*].]

Section 10
Sale Restrictions

[1. The Certificates will not be registered under the United States Securities Act of 1933 as amended; the Certificates have not been admitted to trading by the United States Commodity Futures Trading Commission ("CFTC") under the United States Commodity Exchange Act. The Certificates may not be offered, sold or delivered at any time directly or indirectly in the United States of America, its territories or possessions or to or through U.S. Persons. When exercising the Certificates, the Certificate Holders will be obligated to assure that the Certificates will not be held either directly or indirectly on behalf of a U.S. Person.

The Issuer is not registered with the CFTC as a commission merchant. By purchasing and accepting the Certificates, the Certificate Holder represents that he or she is not a United States Person as defined below and that he or she will sell the Certificates in advance should he or she fall under the definition of a United States Person in the future; the Certificate Holder hereby further represents that he or she has not offered, sold or traded the Certificates directly or indirectly in the United States at any time and will likewise not do so in the future; the Certificate Holder hereby also represents that: (a) he or she has not offered, sold or traded the Certificates to a United States Person directly or indirectly at any time or negotiated with such a person and will likewise not do so in the future (whether on his or her own behalf or on behalf of a third party); and (b) he or she has not purchased the Certificates for the account of any United States Person. The Certificate Holder hereby agrees to deliver the buyer these sale restrictions and the following explanations upon the sale of the Certificates or to refer the buyer in writing to these sale restrictions.

The following definitions apply: "United States" means the United States of America (including the states thereof, the District of Columbia, and the territories, possessions and other areas under the jurisdiction thereof); "United States Person" means any citizen or resident of the United States of America as well as any corporation or partnership or other company organized or established under the law of the United States of America or any of its territorial authorities as well as any estates and trust funds which are subject to the taxation of the United States of America, irrespective of the source of their income.

2. With respect to any activity in connection with Citigroup warrants/certificates or other derivate products in the United Kingdom, all applicable provisions of the Financial Services and Markets Act 2000 (hereinafter "FSMA") must be observed. Any dissemination of offers or incentives to initiate investment activity in the terms of Paragraph 21 of the FSMA may only be made or instigated in connection with the issue or sale of warrants/certificates or other derivate products in cases in which Paragraph 21 of the FSMA does not apply. In relation to any securities which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("FSMA") by the Issuer;

3. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not been and will not be an offer of Certificates to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Certificates to the public in that Relevant Member State:

(a) in the period following the date of publication of this prospectus related to such Certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, in accordance with the Prospectus Directive, ending with the date that lies 12 months after the after the date of publication;

(b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(d) at any time no fewer than 100 natural or legal persons per Relevant Member State (other than qualified investors as defined in Article 2 of the Prospectus Directive); or

(e) at any time in any other circumstances, which do not require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of securities to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

4. With respect to any activity in connection with the Certificates, particularly the acquisition or sale thereof, and/or the exercise of options from the Certificates, the provisions of law applicable in the respective country must be observed by the Certificate Holders and any other market participants involved. Normally, the Certificates may only be offered publicly if a sales or stock exchange prospectus in compliance with the provisions of law of the country in which the public offer is made has been approved and published. The publication must normally be made by the person submitting the corresponding offer in the respective jurisdiction. Certificate Holders and/or persons interested in acquisition are therefore obligated to inform themselves of and comply with the provisions of law in this regard.][*Other selling restriction provisions*: ●]

Section 11
Substitution of the Issuer

[1. The Issuer is entitled at any time to substitute, without the consent of the Certificate Holders, any other company as Issuer (the "New Issuer") with respect to all obligations under or in connection with the Certificates; provided that:

(a) The New Issuer assumes all obligations of the Issuer under or in connection with the Certificates (the “Assumption”),

(b) the Assumption has no adverse credit-related, financial, legal or tax consequences for the Certificate Holders, and that this is confirmed by a trustee specifically appointed for this case by the Issuer at its own expense, which is a bank or auditing firm of international standing (the “Trustee”),

(c) the Issuer or another company authorised by the Trustee guarantees all the New Issuer’s obligations under the Certificates for the benefit of the Certificate Holders, and

(d) the New Issuer has obtained all necessary authorisations from the competent authorities, so that the New Issuer can meet all obligations under or in connection with the Certificates.

2. In the event of such a substitution of the Issuer, any reference to the Issuer in these Terms and Conditions shall be deemed to be references to the New Issuer.

3. Substitution of the Issuer shall be announced immediately in accordance with section 7. Provided that the conditions set out above have been fulfilled, the New Issuer replaces the Issuer in all respects and the Issuer is released from all obligations towards the Certificate Holders under or in connection with the Certificates arising from its function as Issuer.] [*Specify alternative provisions governing the Substitution of the Issuer:* ●]

Section 12
Miscellaneous Provisions

1. The form and content of the Certificates as well as all rights and obligations arising out of these Terms and Conditions shall be governed in all respects by the laws of the Federal Republic of Germany.

2. The place of jurisdiction for all legal disputes or other proceedings arising from or in connection with the Certificates is Frankfurt am Main.

3. The place of performance is Frankfurt am Main.

4. The Issuer is entitled to (i) correct obvious spelling or numerical errors and (ii) to amend or supplement contradictory or incomplete provisions whereby in the cases specified under (ii) only such amendments or additions are permitted that are reasonable to the Certificate Holders, taking into account the interests of the Issuer, i.e. that do not materially impair the financial situation of the Certificate Holder or do not make it significantly more difficult to exercise the Certificates. Any changes or additions to these Terms and Conditions shall be notified immediately in accordance with Section 7.

5. Should any provision of these Terms and Conditions be or become ineffective in whole or in part, the other provisions shall remain in force. The ineffective provision shall be replaced by an effective provision that achieves the economic purpose of the ineffective provision to the extent permitted by law.

[Annex [1] Form of Exercise Notice [●]]

Documents Incorporated by Reference

Information that is required to be disclosed in respect of Citigroup Global Markets Deutschland AG as the Issuer of the Certificates can be found in the Issuer's Registration Document dated 03 May 2012, which was filed with the Federal Financial Supervisory Authority, and is incorporated by reference on page 64 of this Base Prospectus in accordance with § 11 of the German Securities Prospectus Act. Copies of the Issuer's registration document dated 03 May 2012 may be obtained free of charge at Citigroup Global Markets Deutschland AG, Retail Structured Products, Public Distribution / New Issues, Frankfurter Welle, Reuterweg 16, 60323 Frankfurt am Main.

Signatures

Frankfurt / Main, 09 May 2012

Citigroup Global Markets Deutschland AG

Frankfurt am Main

signed by Steffen Thomas	signed by Dirk Heß