Emerging Markets Rates and Currencies Handbook

Navigating the Complexity of Global Markets

November 2021

INTRODUCTION

Citi Emerging Markets Rates & Currencies Handbook is a reference guide into financial markets in 65 emerging and frontier economies, providing integrated market intelligence on foreign exchange and its regulatory environment, alongside an overview of the basic tax framework impacting subsidiary funding.

Citi is proud to present the second edition of the Citi Emerging Markets Rates & Currencies Handbook. The new "Subsidiary Funding" segment, encapsulating the tax environment for financing a foreign subsidiary, aims to complement the "EM Rates and Currencies" segment and guide you towards the optimal financial decisions in your cross-border endeavors.

FOREWORD

Flavio Figueiredo
Global Head
Corporate Sales & Solutions
Markets

Since the publication of the first edition of the handbook in 2018, the global economy has been hit by a crisis of enormous and manifold ramifications. The notions of "systemic risk" and "Black Swans" echo again through financial markets and corporate boardrooms. We see our corporate clients fortifying their growth plans in emerging markets with robust risk management strategies and treasury digitization activities.

Erratic and unpredictable nature has always been evident in emerging economies and we created this handbook in an attempt to leverage our longstanding global expertise and local knowledge to help you make more informed risk management, treasury automation and subsidiary funding decisions in your cross-border pursuits.

If you have any questions or require more information, please reach out to your Citi Corporate Sales & Solutions contacts.

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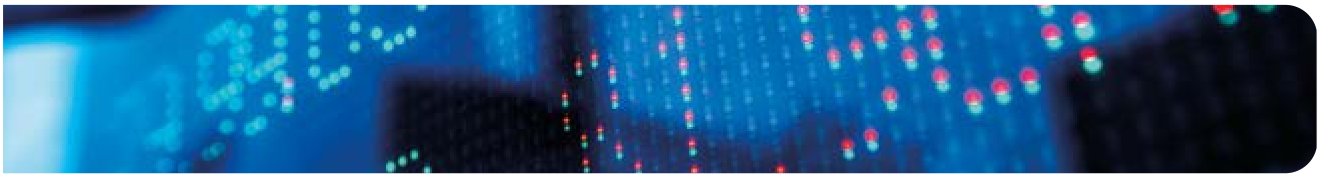
This handbook has been compiled by **Michal Kowalczuk**. If you have any specific questions, please contact him at michal.kowalczuk@citi.com (+48 22 657 7656).

CONTENTS

CITIFX® PULSE

We understand our clients FX needs go beyond pricing. Modern FX management needs to service the full FX lifecycle. CitiFX Pulse embodies complete end-to-end electronic FX solutions for our global clients.



CitiFX Pulse puts the power of the world's leading FX provider behind you, giving you complete control over your FX Management by allowing you to move funds, as if in country, in 80+ markets, straight from your treasury management system (TMS) or enterprise resource planning (ERP).

This means real-time 24-hour access to FX Spot, Forwards, NDF and Swap pricing in 400+ currency pairs, through a holistic and versatile web-based solution that combines both a workflow tool and a trading platform with pre-trade analysis and post-trade reporting, all delivered through a seamless, intuitive user experience.

CitiFX Pulse puts the network, technology, infrastructure and trading powers of the world's leading corporate and institutional bank behind you.

The core value of CitiFX Pulse lies in its workflow tools, with built-in local regulatory nuances across all jurisdictions where CitiFX Pulse is available. Companies can work across multiple legislations knowing that CitiFX Pulse has been built to take exchange controls, regulatory requirements as well as onshore market conventions into account. The ability to price locally on such a scale requires the ability to source liquidity and market making, in addition to a constant update on regulatory developments in 80+ markets. Workflow tools developed in CitiFX Pulse have to consider not only the ability to execute but also what happens before and after a transaction has been made in order to make local execution seamless and compliant with the local regulatory requirements.

Pre-trade

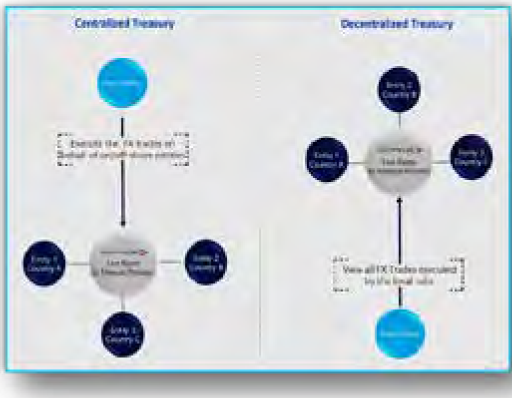
Before trading, you need simple tools to load your orders into a trading platform as well as information about the markets. CitiFX Pulse allows you to easily upload FX requests directly from your treasury ecosystem (ERP, TMS, Treasury Workstation or Position Management Software). Its rich workflows offer the possibility to submit trades with settlement instructions, FX payments or regulatory documents.

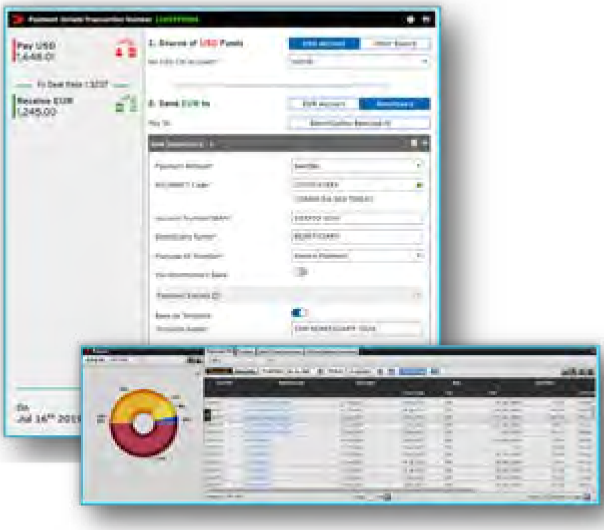
CitiFX Pulse has, research and alerts on tap, connecting you with everything from the published content from our world-class research team to the market commentary of our expert sales and trading teams removing the need for redundant data subscriptions.

Execution

When the time comes, control, accuracy and speed to market are critical. CitiFX Pulse brings it all together to help you execute with confidence, enriched with everything from live rates and price requests to multi-leg dealing: batch trades execution, netting, market fixings execution, options and more.

CitiFX Pulse allows you to gain a single and centralized view to all markets, onshore and offshore, using a single User ID. Your central Treasury may execute transactions acting on behalf of a local entity and facing the respective Citi onshore branch. If an oversight-only function is preferred, your central Treasury may simply monitor executions done by your subsidiaries. CitiFX Pulse execution module is configured to the specific requirements of each market. User profiles may be configured to facilitate your controls requirements and offer configurations on Access Types (Maker/ Checker /Read Only), Dealing Entity, Currency Pair, Side, Tenor, Notional, Time of Day, and IP Address.





Post-trade

After trading you need to settle your trades, make and track payments, split, allocate transactions or attach additional documentation. Pulse Post Trade Module allows you to do that and access a wide suite of other post trade services.

Knowing the effect of your FX trades is crucial to developing a full understanding of their impact on your cashflow, positions and exposure to risk. Pulse gives you access to real-time and historical data, with up to seven years of transaction history.

Customizing the reports you generate and downloading them for later uploading onto your treasury management or other system means you can view and evaluate all deals executed with Citi, regardless of their original execution method.

And Beyond...

Contain your exposure

A separate exposure management module empowers you to track and manage global cash flow and balance sheet exposures across subsidiaries, giving you a single, cleat view of your global netted risk by currency.

Secure in the knowledge

You can also enable users to transact on behalf of entities, limit deals to currency pairs or trade sizes, set view-only access, use maker-checker function to manage execution and exposure – Pulse is fully user customizable.

All systems go

Because Because Pulse is an internet-hosted portal, it also requires no client-side software installation. If you've got Windows, use Explorer or Chrome, have broadband, it's all system go to transform the way you trade around the world.

It evolves with your Automation Needs

Pulse has the versatility to adapt and service your Treasury Digitalization goals. As your Company becomes more digital and with it your Treasury function, there will be need for connectivity with your treasury ecosystem. Pulse can support with 5 different journeys, depending on your Treasury technology stack, ranging from basic access to the web-based platform for price discovery up to Automatic Risk Management Solutions.

ASIA

East Asia

China

Hong Kong

South Korea

Taiwan

ASEAN

Indonesia

Malaysia

Philippines

Singapore

Thailand

Vietnam

South Asia

Bangladesh

India

Sri Lanka

CHINA (CNY – Onshore Renminbi & CNH – Offshore Renminbi)

Citi in China

Citi has been in China since 1902. Today, China is one of Citi's most prioritized markets in the world. In 2007, Citi was amongst the first of the international banks to incorporate locally in China, under the local subsidiary known as Citibank (China) Co., Ltd.

Citi China's customer base spans multinational corporations, top-tier local corporations, state-owned enterprises, financial institutions, middle market enterprises and small and medium enterprises, as well as retail customers.

With operations in 12 cities across China, Citi is a leading international bank in China. In addition to financial services, Citi is introducing its technical expertise to China through its centers of excellence, in the areas of technology and data processing.

Market Overview

The People's Bank of China (PBOC), China's central bank, maintains the currency in a managed float with reference to a basket of currencies. The renminbi (RMB) is deliverable and partially convertible.

PBOC announces the FX fixing rate every morning at 9.15 Beijing time, and the interbank market is only allowed to trade within +/- 2% of the fixing rate for onshore RMB(CNY) vs USD.

Onshore RMB (CNY) has undergone a rapidly changing process for pricing. In Aug 2015, PBOC changed the fixing price mechanism, indicating that the fixing price shall consider the previous closing at 4:30pm while also considering the RMB index levels; In Dec 2016, the currency basket for CFETS RMB Indices expanded from 11 to 24 currency components.

CNY 7-Day Repo is the most frequently used benchmark rate for onshore interest rate swap, apart from CNY 7-Day Repo, LPR interest rate swap and Shibor interest rate swap are also actively traded. Monthly trading volume of 1yr 7-Day Repo IRS is CNY 720bn, 1yr 3month Shibor IRS is CNY 100bn and 1yr LPR IRS is CNY 3bn.

For FCYCNY* (Onshore RMB)

	FX Spot	FX Forwards**	NDFs	FX Options**	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore market only	✓	✓	✗	✓	✓	✓	✓
Volume (MM USD daily)	30,000 – 35,000	35,000 – 40,000 including FX Swap	N/A	8,000 – 10,000	10,000 – 12,000	Poor liquidity in interbank market	100
Max tenor (or typical tenor for spot)	T + 2	5 years	N/A	2 years	5 years	1m	5 years
Typical deal size (MM USD)	10 – 50	8 – 10	N/A	10 – 50	20 – 50	2	10 – 50
CitiFX Pulse Capabilities	✓***	✓***	✗	✗	✗	✗	✗

* FCY – foreign currency.
** Net Settlement for Forward and Options is allowed.
*** To be launched soon for Shanghai FTZ.

Source: Citi indicative information

For FCYCNH* (Offshore RMB)

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap (Offshore CNY, not CNH)	Interest Rate Options	XCCY swaps
Market Overview							
Offshore market only	✓	✓	✓	✓	✓	✓	✓
Volume (MM USD daily)	18,000 – 20,000	13,000 – 15,000	Included in Forwards	1,500 – 2,500	3,500	5-10	100-200
Max tenor (or typical tenor for spot)	T + 2	5 years	Same as Forwards	5 years	5 years	5 years	5 – 10 years (most liquid within 5y)
Typical deal size (MM USD)	20 – 40	40 – 60	Same as Forwards	50	25	5	3 – 5
CitiFX Pulse Capabilities	✓**	✓**	✗	✗	✗	✗	✗

* FCY – foreign currency. Offshore RMB shall only be conducted with Citi offshore.
** Excluding Shanghai Free Trade Zone Unit.

CNH/Offshore RMB can be dealt offshore and in the Shanghai Free Trade Zone Unit (FTU). CNH related NDFs can only be traded offshore. For guidance on CNH dealing locations, please consult the HK CSS Team (Contacts in the HK Country Page).

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

CNY: Reuters SAEC published 09.15 Beijing time posted 2 days before value date.

Regulation

Restrictions

Onshore RMB (CNY) is partially convertible and subject to currency control restrictions. Offshore RMB (CNH) is fully convertible and not subject to the same restrictions faced by onshore RMB.

Non-resident restrictions

Under certain conditions, Non-Resident accounts are allowed to engage in conversions between USD and CNY.

For Shanghai Free Trade Zone accounts, both directions in conversions between USD and CNH are allowed. For FX spot transactions, supporting documents are not required, while for remittance between onshore accounts, the indication of purpose of payments and other relevant supporting documents are required.

License requirements (for clients dealing in FX products)

No specific license requirements for dealing in FX products except for clients with financial license i.e. banks, trust company including NBFI such as auto financing company.

Requirements to open a foreign currency account

Resident and Non-Resident entities are allowed to book FX transactions with onshore authorized banks.

Settlements between two onshore resident entities can only be done in CNY, unless either party is located in special-purpose zone (e.g. free-trade zone or export zone) or otherwise approved by SAFE on a case-by-case basis.

Deal Management

Rollover: Permitted for forwards subject to the client's actual underlying needs and justification provided to the bank. Any resulting profits or losses will be settled in CNY.

Unwinding: Permitted and subject to the same requirements for rollover. Options – Could be unwound by reversing the position with Citi, the gross or net settlement should in CNY.

Early Maturity: Permitted for forwards, subject to the same requirements for rollovers/extensions. A new rate will be generated in the near leg for early settlement and far leg normally has no difference.

Net Settlement: Net settlement is now allowed for Forwards and Options according to a new regulation starting Feb 2018.

Documentation Requirements

Product specific

FX Spot: To remit FCY into or out of China, an instruction and supporting documents are needed.

FX Forwards: Upon maturity, the transaction settlement has to abide by spot settlement and delivery regulations. The transaction has to be settled in full; net settlement for forwards is now allowed. Supporting documents are to be provided at settlement.

FX Swaps: Sell/Buy – clients' FX funds settled at the near leg shall be eligible for spot settlement under the provisions on foreign exchange administration.

Buy/Sell – clients may directly purchase foreign exchange with CNY at the near end, and deposit FX in the FX accounts under current items or use them for foreign payments in accordance with the relevant provisions; Settlement at the far end shall be eligible for spot settlement under the provisions on foreign exchange administration. Banks shall settle the interest which is earned from the deposit in foreign exchange accounts under current items. The supporting documents requirements should follow existing Compliance check process on both legs.

FX Options: The major risk characteristics of the single option transactions or combined option transactions handled by banks for clients shall be reasonably related to the real demands of clients. The foreign exchange receipts and expenditures incurred to clients from the exercise of option may not exceed the actual underlying business needs. An instruction should be provided by clients if the option need to be reversed.

For CNY involved option transactions or combined option transaction, limited to Vanilla Euro Option.

Local regulatory restrictions or approvals may vary on a case by case basis. Requirements for supporting documents are listed below for different products. Clients' Instructions need to be clear about parties, transaction amount, currency, direction, maturity, account number and all details related to the transaction. Clients' authorized signature and financial chop/company chop may be required based on different internal procedure.

Trade flows

For trade of goods (Clients classified under Category A): Making foreign currency payments for import – at least one of the following 3 items as supporting documents (in original): a) Invoice, b) Contract, c) Custom Slip. Custom declaration is compulsory starting May 2017 if the payment amount is over 100,000 USD or equivalent (may be waived under certain circumstances).

Receiving FCY payments for export – generally no supporting documents needed but the bank shall confirm the nature of the incoming transaction with the clients. Supporting documents or additional evidence is requested in case of doubt.

An instruction to the bank is always needed for both of the directions.

For trade of service:
Making foreign currency payments for services import: Tax Bureau Certificate, Invoice, Contract, or other documentation depending on the category of service.

For dividend payments: Tax Bureau Certificate, Board resolution and Audit report.

For all items under the current account:
The bank can choose to review either paper or electronic documents (only Category A enterprises may enjoy this under goods trade). Banks are required to be prudent in reviewing documentation, conducting sound KYC, KYB and Due Diligence. Corporates are required to comply and prove the authenticity of their documents.

Capital flows/FDI

Usage of CNY converted from FDI capital to be specified, and can only be used to support business activities within the client's approved business scope. Client can decide the amount that needs to be converted at their will. Capital flow related FX transactions must be conducted with the bank at which the capital account is opened. All capital flows need to be registered by each specific currency at the Ministry of Commerce.

The following supporting docs for conversion should be presented by the client:

i. Payment order (in SAFE's standard format)

ii. The related contract or payment notice

iii. Evidence for the payment for the last converted CNY funds and related supporting documents for their detailed usage)

Additional Comments

CNY related hedging is allowed on true underlying basis.

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Subsidiary Funding – Tax Consideration
Tax Summary – China (Mainland)

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>10% WHT
• Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis</td><td>10% WHT
• Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis
No WHT on interest paid to certain government bodies</td><td>No WHT</td><td>Onshore: N/A
Offshore: Uncertain, prevailing market practice is no WHT</td><td>10% WHT on dividends
10% WHT on capital gain on sale of equities
• Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis</td></tr>
<tr><td>Deductibility of interests</td><td>Interest is deductible, unless D/E > 2x (D/E > 5x for FIs)
If sufficient evidence to show the financing is at arm's length, these interests may still be fully deductible</td><td colspan="2">Generally deductible
Thin Cap Rules apply only with respect to related party financing</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="3">FX losses are generally deductible</td><td>Realized derivative losses are generally deductible</td><td>N/A</td></tr>
<tr><td>Other taxes, duties</td><td colspan="3">Local borrower withholds 6% VAT on interest payments to offshore lender
0.005% Stamp Tax on loan amount</td><td>Onshore: 6% VAT on total gains from trading financial products including derivatives within a filing period
Offshore: Uncertain, prevailing market practice is no VAT</td><td>No VAT on dividend/capital gain on sale of private equities
0.05% Stamp Tax on sales proceeds in a Share Purchase Agreement for both the buyer and seller</td></tr>
<tr><td>Comments</td><td colspan="2">Requires Foreign Debt Quota
SAFE approval required</td><td>N/A</td><td>N/A</td><td>Certain lower rates apply to 1) dividend WHT when the beneficial owner of the dividend owns a certain % or higher of the capital of the paying company; or 2) capital gain WHT when owns less than a certain % of the capital of the company</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

HONG KONG (HKD – Hong Kong Dollar)

Citi in Hong Kong

Citi opened its first office in Hong Kong in 1902 and now serves more than one million clients. Citi serves financial institutions, corporates, wealthy individuals and consumers through the expertise and resources of its Institutional Clients Group (ICG) and Global Consumer Banking (GCB).

Market Overview

HKD is the official currency of Hong Kong Special Administrative Region. On 18 May 2005, HKMA (de facto central bank of HK), adjusted the USDHKD peg to 7.75 – 7.85. The HKMA will maintain the peg by buying and selling USD at the lower and upper limits.

The Hong Kong Interbank Offered Rate, known by its abbreviation HIBOR, is the benchmark interest rate, stated in Hong Kong dollars, for lending between banks within the Hong Kong market. The rate is released each business day at 11:15 a.m. local time. It is derived from the contributed quotes of 20 banks which are determined by the Hong Kong Association of Banks (HKAB). The rate is determined by averaging the contributed quotes after excluding the highest and lowest three, calculated by Hong Kong Interbank Clearing Limited (HKICL).

Convertibility

Freely convertible.

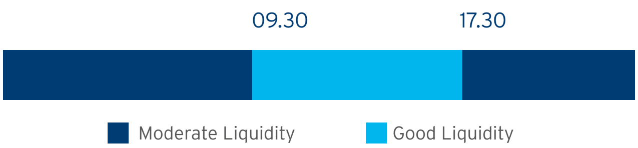
	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✓	✓
Offshore	✓	✓	✗	✓	✓	✓	✓
Onshore volume (MM USD daily)	5000	6,000 – 8,000	HKD is deliverable offshore and hence there is no NDF market	300 – 600	400	5-10	N/A
Offshore volume (MM USD daily)	included in the onshore volumes	included in the onshore volumes		included in the onshore volumes	included in the onshore volumes	included in the onshore volumes	5 – 10
Onshore max tenor (or typical tenor for spot)	T + 2	10 years		5 years**	20 years	10 years	N/A
Offshore max tenor (or typical tenor for spot)	N/A	10 years		5 years**	20 years	10 years	5 years
Onshore typical deal size (MM USD)	50 – 100	50 – 100		50 – 100	20 – 40	10-20	N/A
Offshore typical deal size (MM USD)	N/A	50 – 100		50 – 100	20 – 40	10-20	3 – 5
CitiFX Pulse Capabilities	✓	✓	✓*	✗	✗	✗	✗

* Only for CNY, KRW, MYR, TWD.
** Subject to Citi's internal limits

Source: Citi indicative information

Market opening hours and liquidity during the day

USDHKD is traded internationally across all time zones, but the market is most liquid between 9.30am – 5.30pm HKT



Fixing (incl. ticker)

HKDFIX in Reuters

Regulation

Offshore restrictions

The Hong Kong Dollar (HKD) is freely tradable and fully convertible and there are no restrictions for residents or non-residents in the trading of HKD spot, forward and options.

Non-resident restrictions

The Hong Kong Dollar (HKD) is freely tradable and fully convertible and there are no restrictions for residents or non-residents in the trading of HKD spot, forward and options.

License requirements

No license required to conduct FX activities.

Requirements to open a foreign currency account

Regular KYC norms and requirements.

Deal Management

Rollover: Rolling FX forward is permitted only at market spot and forward rates.

Unwinding: No local law restrictions on unwinding HKD FX trades. Client can elect to net or gross settle the trade.

Early Maturity: No local law restrictions on early termination of HKD FX trades.

Documentation Requirements

Product specific

No local law requirements on specific form or type of trade documentation to be used.

Trade flows

No local law requirements on specific form or type of trade documentation to be used.

Capital flows/FDI

No local law requirements on specific form or type of trade documentation to be used.

Additional Comments

Hedges are allowed for balance sheet flows and cash flow exposures.

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Subsidiary Funding – Tax Consideration
Tax Summary – Hong Kong (SAR)

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td colspan="3">No WHT
Treaties provide for a maximum WHT rate on interest should it be imposed in the future</td><td>N/A</td><td>No WHT
Treaties provide for a maximum WHT rate on interest should it be imposed in the future</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">There are no thin cap rules in Hong Kong but there are specific interest deductibility rules that apply
Subject to stringent rules designed to guard against loan arrangements with an intention to avoid Hong Kong profits taxes</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="5">Deductibility of FX losses depends on the underlying transactions
• Foreign exchange losses arising from capital transactions: Non-deductible
• Foreign exchange losses arising from revenue transactions: Deductible
• Unrealized losses arising from financial instruments that are Hong Kong sourced, revenue in nature, recognized in the P&L and are specifically impaired, are deductible if an irrevocable election is made to file the profits tax return in accordance with financial statements prepared under IFRS 9</td></tr>
<tr><td>Other taxes, duties</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

SOUTH KOREA (KRW – South Korean Won)

Citi in South Korea

Citi was one of the first foreign banks to have a presence in Korea, commencing operations in 1967. It now has a significant local presence, with extensive corporate clients and a full-scale consumer franchise in Korea.

Citibank Korea Inc. (CKI) was formed on November 1 2004, after the acquisition of KorAm Bank. Citibank in Korea now has 44 branches nationwide, serving 4.5 million customers. The bank has more than 1,000 ATMs in service and is one of the largest credit card issuers in Korea.

Market Overview

The Bank of Korea (BOK) oversees a floating exchange rate regime and intervenes occasionally to smooth excess volatility. The KRW is partially convertible, with the offshore being available only on a non-deliverable basis. Both the onshore and offshore markets are liquid with an estimated daily turnover of USD 10bn for onshore spot and USD 8bn offshore NDF (of trades with domestic foreign exchange banks, including ND swaps).

17 local banks, 38 foreign banks and a few securities companies participate in the FX market of Korea through an interbank market or foreign exchange brokerage firms. Korea has two direct dealing markets: USDKRW and CNHKRW, with USDKRW being the most traded currency pair. The onshore CNHKRW direct trading market was launched in December 2014 and its daily transaction volume is around USD 2bn.

Rates market is developed backed by Korean Treasury market which is the largest in Asia ex-Japan. IRS, FRA and Options are fulfilling hedge and investment demand for participants with USD 8.5bn daily volume. From 2014, IRS between financial investment firms should be cleared through KRX CCP.

Convertibility
Convertible onshore with some restrictions.

Korea allows the repatriation of approved capital, as well as the remittance of dividends and profits. However, FX banks conducting business with foreign investors must verify the legitimacy of such transactions. Some controls and reporting requirements on payments by businesses remain in place.

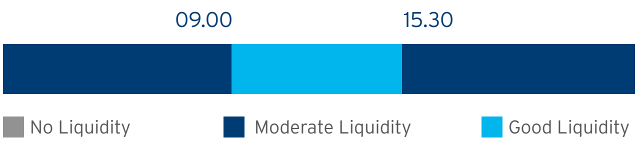
	FX Spot*	FX Forwards**	NDFs***	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✓	✓
Offshore	✗	✗	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	7,000 – 10,000	10,000 – 11,000	included in offshore volume	1,800 – 2,000****	8,500	280 -	250, included in Options volume****
Offshore volume (MM USD daily)	N/A	N/A	8,000 – 9,000	800 – 1,000	N/A	N/A	5
Onshore max tenor (or typical tenor for spot)	T + 2	10 years	N/A	1 year	20 years	20 years	20 years
Offshore max tenor (or typical tenor for spot)	N/A	N/A	1 year	3 years	N/A	N/A	10 years
Onshore typical deal size (MM USD)	1 – 3	5 – 10	N/A	10 – 30	10	10	5 – 15
Offshore typical deal size (MM USD)	N/A	N/A	10 – 30	20 – 40	N/A	N/A	5 – 10
CitiFX Pulse Capabilities	✓	✓	✓	✗	✗	✗	✗

* Including USDKRW and CNHKRW
** Including FX Swaps and Forwards
*** Based on the sum of non-residents' NDF (including ND Swap) buying and selling with domestic FX banks
**** Includes both options and XCCY swap volumes as per BOK data

Source: Citi indicative information, BOK data

Market opening hours and liquidity during the day

Liquidity is best between 0900 – 1530 (onshore market hours). Outside those hours, KRW is convertible in the offshore market with less liquidity.



Fixing (incl. ticker)

The KRW fixing rate is the volume-weighted average of the rates applied in daily transactions, published daily at 1545 Seoul local time. The rate is published as the basic rate of USDKRW for the next business day. It is available as KFTC18 on Reuters and KOBRUSD Index on Bloomberg.

Regulation

Offshore restrictions

Residents or non-residents willing to make deposits or trusts in Korea or any other foreign country have to declare to the BOK (when exceeding U$50K per transaction) or to the corresponding FX bank (when within U$50K per transaction) except for the following cases:

1. Domestic: KRW deposits and trusts for domestic usage by Korean residents.
2. Offshore
   - Foreign currency deposits and trusts of any resident who sojourns in a foreign country.
   - Public loan, overseas derivative transactions, issuance of securities, securities investment, foreign currency deposits related to foreign direct investment.
   - Any foreign currency deposit and trust account is disposed of for the payment arising from qualified transactions.

Non-resident restrictions

Transactions in KRW and/or other foreign currencies between residents and non-residents are subject to local FX regulation. Generally speaking, supporting documentation (i.e., underlying agreement, contracts, etc.) is required for the actual settlement of the transaction. At times, a declaration to or approval by local regulators is required.

Required documents include:

- Declaration of Deposit (or Trust) Transactions (Form No.7 – 1), Corporate Registration Certificate and any documents that can prove the exception cases for cases where the resident (other than institutional investors) conducts any deposit or trust transactions with foreign financial institutions.

- Any documents that can explain the route of acquisition (Declaration of Currency or Monetary Instruments (Form No.6-1, or any contracts or agreements) and Certificate of Receipt (Form No.4-3) for all other cases.
- Declaration of Deposit (or Trust) Transactions (Form No.7-1) for cases where the resident conducts trust transactions with non-resident in a foreign country.

License requirements
None.

Requirements to open a foreign currency account
A business certificate and UBO (Ultimate Beneficiary Owner) is required for KYC.

There is no restriction on opening foreign currency accounts in Korea. The local currency can be directly credited into foreign currency accounts by FX via Citi-Direct.

Deal Management

Rollover: Permitted – net settlement.

Unwinding: Permitted – net settlement.

Early Maturity: Permitted – The deal is simply amended to be settled at the historical rate, plus/minus swap points. The new maturity date should be within spot date.

Documentation Requirements

Product specific
For FX Spot transactions, underlying documents are not required at the time of FX conversion but at time of wiring FCY overseas. Forward and swap transactions are subject to the Financial Investment Services and Capital Markets Act (FSCMA). Under this regulation, all the clients are to be categorized into two groups; professional investors and general investors.

Professional investors are:

a. Government institutions, financial institutions.

b. Corporate clients listed in the stock market (need to submit professional investor registration form to Citi).

c. Corporate clients whose financial investment product transactions amount to over KRW 10 bn (or KRW 5 bn in case of corporate clients subject to external audit) (Both need to register as a professional investor at the Korea Financial Investment Association).

Documentation requirements for professional investors (b. & c.):

1. Letter of confirmation.
2. Supporting documents to prove underlying exposures.
3. Professional investor registration form.

General Investors are:

Any corporate client other than Professional Investors.

Documentation requirements for general investors:

1. General investor information sheet.
2. Confirmation of hedge purpose.
3. Supporting documents to prove the underlying exposure.
4. Product description sheet.

Foreign participants can buy KRW without an underlying securities transaction in spot transactions, and the resulting KRW can be held at the investor's exclusive cash account within the FX bank.

Trade flows
Documentary evidence required for trade transactions.

Capital flows/FDI
For capital transfers, a foreign investor should transfer capital funds through the FX bank. The FX bank should verify the receipt of capital funds from an investor and issue a Certificate of Purchased Foreign Currency after the FX transaction.

Supporting documents (including declaration/approval from the proper authority for a capital transaction. e.g. loan, guarantee or investment) should be submitted to the FX bank prior to trading.

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Subsidiary Funding – Tax Consideration
Tax Summary – South Korea

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT • Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis In addition to the above indicated tax rates, a resident surtax is charged at a rate of 10% of the respective tax rate		20% WHT In addition to the above indicated 20%, a resident surtax is charged at a rate of 10% of the respective tax rate In case of the borrowings from the listed local financial intuitions, the interest is not subject to WHT	N/A	20% WHT • Under certain tax treaties typically 5-15%, with further reduction possible on country-by-country basis 10% surtax applied incrementally to above rates (i.e. 10% multiplied by WHT rate)
Deductibility of interests	Cap on interest deduction to 30% of company's EBITDA If borrowings from a foreign controlling shareholder exceeds 2x the ownership equity of the foreign controlling shareholder (6x for FI), the paid interest and discount fee on the relevant excessive portion will be disallowed and further treated as a dividend payment	If borrowing from a third party under a payment guarantee by the foreign controlling shareholder exceeds 2x the ownership equity of the foreign controlling shareholder (6x for financial institution), the paid interest and discount fee on the relevant excessive portion will be disallowed and further treated as a dividend payment	Generally deductible as long as the related loan is used for business purposes, however, there are multiple exceptions	N/A	N/A
Deductibility of FX losses	Generally tax deductible				
Other taxes, duties	Nominal stamp duty is calculated based on the loan notional			N/A	N/A
Comments	MOEF report is required for over US$30mm financing in cumulative basis within last 12 months		15.4% WHT (includes 10% surtax on the 14% base rate) for interest on bonds issued by the State, local government and a domestic corporation		A lower rate on treaty countries generally applies if the beneficial owner of the dividends is a company with a substantial ownership (typically 25%; depending on country) in the dividend paying company

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

TAIWAN (TWD – New Taiwan Dollar)

Citi in Taiwan

Citi is proud to have had a strong presence in Taiwan since the opening of our first representative office in 1964 and the first branch in Taipei in 1965. To expand our footprint in Taiwan, Citi acquired Bank of Overseas Chinese with the newly formed Citibank Taiwan Ltd (CTL) in 2007. Citi has been the leader in both corporate & investment banking and consumer banking.

Market Overview

TWD is a restricted currency and cannot be remit out offshore. Any conversion involving TWD is governed by the Central Bank of the Republic of China (CBC). The CBC monitors foreign exchange markets in Taiwan, imposing a variety of practices to maintain the stability of foreign exchange rates. The TWD operates in a managed floating exchange rate regime.

The common types of transactions include: Spot, Forwards, FX Swaps, Cross-Currency Swaps and Options.

The Taiwanese foreign exchange market is two-tiered: interbank or wholesale market, and retail or client market. The market participants includes individuals, corporates, financial institutions, banks and the CBC. The two foreign exchange brokers in Taiwan are the Taipei Foreign Exchange (TFEX) and Cosmos Foreign Exchange (COFX), through which all licensed financial institutions can do FX transactions.

The TWD interest rate (IRS) market is an OTC market. The main market participants are banks, licensed security houses and the CBC. The common tenor is 1Y, 2Y, 5Y, 7Y and 10Y.

Convertibility
Yes, but regulated, as all FX conversion is subject to the possession of underlying supporting documents and there is a USD50mm per annum limit for non-trade related FX conversions for a resident corporate entity (FX swaps are exempted from this ceiling).

Onshore TWD

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore market only	✓	✓	✗	✓	✓	✓	✓
Volume (MM USD daily)	700-1100	120 – 220	N/A	0 – 100	0 – 150	0 – 10	10
Max tenor (or typical tenor for spot)	T + 2	2 year	N/A	1 year	10 years	10 years	2 years
Typical deal size (MM USD)	5 – 10	5 – 10	N/A	1 – 5	10	10	1 – 10
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

* Up to TWD 500K per day

Source: Citi indicative information

Offshore TWD

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Offshore market only	✗	✗	✓	✓	✓	✓	✗
Volume (MM USD daily)	N/A	N/A	1,000 – 1,500	100 – 200 (Sporadic)	0 – 150	0 – 10	N/A
Max tenor (or typical tenor for spot)	N/A	N/A	1 year	2 years	10 years	10 years	N/A
Typical deal size (MM USD)	N/A	N/A	10 – 30	30 – 50	10	10	N/A
CitiFX Pulse Capabilities	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Opening hours: 09.00 – 12.00, 14.00 – 16.00 (LHS: 15.30, RHS: 16.00) (GMT+8).

Fixing (incl. ticker)

Fixing Benchmark: Bloomberg -TWD11 or TRY11.

Taipei time 2 days prior to value date.

Regulation

Restrictions

TWD is convertible but subject to the possession of underlying supporting documents.

Non-resident restrictions

The below supporting documents are required for all FX conversions:

- Power of Attorney.
- Power of Attorney translated into Chinese.
- Central Bank Declaration Form.

For conversions exceeding USD100,000: Prior approval from the CBC is required (e.g. Foreign Investment Approval).

License requirements (for clients dealing FX)

No license required.

Requirements to open a foreign currency account

In order to settle FX, KYC and AML requirements must be met prior to account opening.

For TWD related deals, an onshore account is required.

For non TWD related deals, an account (either OBU or DBU) is required.

Deal Management

Rollover:
FX Swap: Yes. It is required to reset the FX rate at market price with supporting documents.

FX forward: No. It cannot be extended. However, in practice, CBC allows forward rollover at market price for one-time only and customer needs to provide a written evidence to meet CBC's requirement.

Unwinding: No. Deals cannot be cancelled or early unwound via entering into an offsetting trade.

Early Take Up (ETU): Yes, with supporting evidence to prove necessity of such early take-up. The original deal rate would be adjusted based on ETU swap points.

Documentation Requirements

Product specific

For Resident accounts

Spot

- Equal/Exceeding TWD 500k: Central Bank Declaration Form.
- Equal/Exceeding USD 1mm equivalent: Central Bank Declaration Form and Supporting documents.
- For Capital Flows/Foreign Direct Investment: Regardless of notional, must provide supporting documents as below:
  a. Standard Central Bank Declaration Form.
  b. Supporting documents (such as Government Approval, Intercompany Loan Agreement, Statement of Earning Distribution, and/or Statement of Dividend Calculation, etc.).

Forward

- Regardless of notional, supporting documents are required when entering into transaction and at expiry.
- Central Bank Declaration Form is also required at expiry if notional exceeds TWD 500k.

Swap

- No supporting document is required when initiating the transaction; however, per local practice, supporting documents will be required for intercompany loan or special purposed transaction.
- For example, in the case of intercompany loan, supporting documents such as loan agreement are required.

Option (Only Plain Vanilla one is allowed)

- Per local practice, regardless of notional, supporting documents are required when entering into transaction and at expiry.

For Non-Residential accounts

Supporting documents are required for all FX conversions:

- Power of Attorney (Power of Attorney translated into Chinese).
- Central Bank Declaration Form.

If the conversion exceeds USD100,000: Prior approval from the Central Bank is required.

For further information, please refer to:
Regulations Governing the Declaration of Foreign Exchange Receipts and Disbursements or Transactions
https://law.moj.gov.tw/ENG/LawClass/LawAll.aspx?pcode=G0450009

Regulations Governing Foreign Exchange Business of Banking Enterprises
https://law.moj.gov.tw/ENG/LawClass/LawAll.aspx?pcode=G0450011

Additional Comments

All TWD contracts must be based on genuine needs. Balance sheet hedging is allowed but hedge tenor must match the maturity of the underlying. Hedging of receivables/payables, inter-company loans supported by underlying documents is permitted.

The CBC requires settlement of all TWD FX deals (i.e. neither non-settlement nor cancellation is allowed per central bank regulation).

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Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

INDONESIA (IDR – Indonesian Rupiah)

Citi in Indonesia

Citibank, N.A. Indonesia ("Citi Indonesia") is a fully-owned subsidiary of Citigroup, Inc. which has been in Indonesia since 1968 and is one of the country's largest foreign banks. We operate 10 branches in six major cities in Indonesia – Jakarta, Bandung, Surabaya, Semarang, Medan and Denpasar. Citi Indonesia also has one of the largest consumer transaction networks with 33,000 payment points and one of the largest corporate distribution networks with 4,800 locations in 34 provinces. Citi Indonesia is part of the ATM Bersama network with more than 70,000 ATM terminals throughout Indonesia.

Market Overview

The Rupiah ("Rp" or "IDR") is the official currency of Indonesia. Bank Indonesia (BI), the central bank of the Republic of Indonesia, operates a managed floating currency regime. IDR is not allowed to be transferred offshore.

The Indonesian Rupiah was first issued on 3 October 1946, a year after the Independence Proclamation of the Republic in 17 August 1945. With the highest bank note token at 100,000 Rupiah, there have been plans to redenominate the currency by truncating the last three zero digits (dividing by 1000).

Crude palm oil, rubber, minerals and garments are Indonesia's main export, while the country is now a net importer of oil.

Trade, capital markets and equity markets are the main drivers for FX volume in Indonesia with foreign ownership of around 40% and 60% in capital and listed equities in the stock exchange respectively.

To achieve its objective on stability of IDR, Bank Indonesia (BI) performs monetary operation framework by implementing BI-7 Day Reverse Repo Rate. The BI 7-day Repo Rate is the instrument used as policy rate to influence the interest rates in the money market, banking, and real sectors. BI has IndONIA for overnight tenor and JIBOR for tenors over overnight lending as money market benchmark rates. They can be used by market players as a reference such as setting loan interest rates, pricing financial instruments, and measuring the performance of financial instruments.

Onshore IDR

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore market only	✓	✓	✗	✗*	✗*	✗	✓
Volume (MM USD daily)	400 – 600	200 – 400	N/A	N/A	N/A	N/A	2 – 4
Max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	3 years
Typical deal size (MM USD)	2 – 5	5 – 10	N/A	N/A	N/A	N/A	2 – 5
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*Options and IDR Interest Rate Swap are tradable, however quote to be provided by Citi on case by case basis only.

Source: Citi indicative information

Offshore IDR

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview*							
Offshore market only	✗	✗	✓	✓	✗	✗	✓
Volume (MM USD daily)	N/A	N/A	700 – 1,200	100 – 200	N/A	N/A	10 – 20
Max tenor (or typical tenor for spot)	N/A	N/A	1 – 2 years	5 years	N/A	N/A	10 years (liquid up to 5 years)
Typical deal size (MM USD)	N/A	N/A	10	10 – 20	N/A	N/A	5 – 10
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*Offshore IDR shall not be booked facing Citibank N.A., Indonesia as local regulation prohibit banks in Indonesia to do NDF transactions involving IDR offshore

Source: Citi indicative information

Convertibility

Convertible with restrictions, conversion from and to IDR will require proof of supporting documents if the notional exceeds certain thresholds. Bank Indonesia sets different thresholds based on the identity of the counterparty (domestic or foreign party), various transaction types (spot, forward, option, swaps, structured product), side (buy or sell), and settlement type (gross settled/full-funds flow vs netting).

Market opening hours and liquidity during the day

Fixing (incl. ticker)

Spot fixing: Reuters JISDOR. Weighted average rate from 10:00 – 10:45am (Singapore time) and published 11:00 Singapore time. Posted 2 days before value date.

Regulation

Offshore restrictions

Locally-incorporated corporations are not prohibited from entering into the offshore market for the purpose of hedging or investment. However, non-bank corporates are required to maintain certain hedging and liquidity ratios on their foreign currency liabilities, and the hedge would only qualify as valid assets if done with an onshore bank. Hedges transacted with an offshore bank will not be eligible as an asset in that ratio calculation.

Foreign party restrictions

Foreign Parties are required to provide supporting documents of underlying economic activities when receiving funds in their IDR accounts with amounts >USD 1,000,000 equivalent per day.

License requirements

No license required to deal in FX.

Requirements to open a foreign currency account

As per normal Citi KYC requirement. Client needs to open an account or a base number as part of the minimum requirements for dealing in foreign exchange.

Deal Management

Rollover: Permitted for derivatives.

Unwinding: Permitted for derivatives.

Early Maturity: Permitted for derivatives.

FX Spot must be settled on gross settlement/full-fund flow.

Net settlement can be done for FX Forward, Option or Swap for the purpose of rollover, early termination, and unwind, except for forward sell transaction up to threshold or for forward sell transaction with the ownership of funds onshore and offshore as underlying.

Documentation Requirements

Purchase of FCY against IDR: Spot and Derivatives

a. For amounts <USD 25,000 per month on FX Spot (including Today and Tom) or amounts <USD 100,000 per month on FX Derivatives (Forward, Option, or Swap):

   - Indemnity letter (one time only).
   - FX statement letter (each transaction).

b. For amounts >USD 25,000 per month on FX Spot (including value today and tomorrow), amounts >USD 100,000 per month for domestic party, or amounts >USD 1,000,000 per transaction or outstanding per foreign party on FX Derivatives (Forward, Option, or Swap), or any amount per transaction on FX Call Spreads:

   - Indemnity letter (one time only).
   - FX statement letter (each transaction).
   - Underlying documents. The total amount stated in the underlying documents should be the same or exceed the amount of FCY purchased and be valid/not past due.
   - Documents should be submitted latest 5 days after the trade date or on the maturity date – whichever earlier.

Sell of FCY against IDR: Spot
No supporting or underlying documents needed.

Selling of FCY against IDR: Forward, Option or Swap

a. For amounts <USD 5,000,000 per transaction through FX Forwards or amounts = <USD 1,000,000 per transaction through FX Options or amounts <= USD 25,000 per transaction through Swap:

   - Indemnity letter (one time only).

b. For amounts >USD 5,000,000 per transaction through FX Forwards, amounts >USD 1,000,000 per transaction through FX Options or amounts >USD 25,000 per transaction through Swaps:

   - Indemnity letter (one time only).
   - FX statement letter (each transaction).
   - Underlying documents. The total amount stated in the underlying documents should be the same or exceed the amount of FCY purchased and be valid/not past due.
   - Documents should be submitted latest 5 days after the trade date or on the maturity date – whichever earlier.

Netting:
Settlement of Spot transactions has to be done on full fund flow basis.

Netting is not allowed for FX Forwards selling foreign currencies using underlying documents of foreign currency ownership onshore or offshore.

Netting is allowed for derivative transactions for the purpose of: roll overs, early terminations and unwinds that are supported with underlying documents for the initial trade.

Additional Conditions:
Loans and credit are not allowed to be used for the purpose of derivatives settlement.

Overdrafts are not allowed to be used for the purpose of FX settlement against IDR.

Trade flows

Underlying documents which are final in nature:

- Loan agreement with proof of disbursement (account statement or MT103 proof of transfer). Intercompany loan as underlying transaction must be based on the actual amount being withdrawn and has minimum tenor of repayment by 1 month.
- Royalty agreement.
- Letter of credit.
- Invoice or commercial invoice that has not passed due date and has not been paid.
- Invoice or commercial invoice that has not passed 3 months after due date (or invoice date if no due date) and has not been paid accompanied with MT103 with information of payment of the relevant invoice and statement from client that the invoice has not been paid. In the case of Import, the document must show that the goods are intended to enter and will be received within the territory of Indonesia.
- List of invoices.
- Debit note.
- Sales Contract.

Underlying documents which are forecasted in nature:

- Copy of PIB (Notice of Imported Goods) or PEB (Export Declarations).

- Purchase order confirmation with proof of goods delivery (proof of goods delivery can be submitted post settlement date if not available on settlement date). Final invoice must be submitted no later than the settlement date to cover the purchase order (PO) and proforma invoice.

- Cash Flow projection (Forecast) for international trade and travel agent service for 1 year period which shows the net foreign currency exposure on a monthly basis. Forecast must be accompanied by: (a) additional supporting document in form of invoice, working contract, MOU, or other similar document, (b) historical data for the previous 1 year, (c) client's track record.

Capital flows/FDI

Underlying documents which are final in nature:

- Proof of ownership of investment including proof of purchase or sale in relation to investment in stock, bonds, other securities, proof of dividend payment and other investment proceeds.

- Requirement to fulfill the balance on account by the authority.

- Bank guarantee in foreign currency.

- Loan agreement with proof of disbursement (account statement or MT103 proof of transfer).

- Board resolution that reflects the amount of dividends to be paid out to foreign party shareholders.

- Mutual fund investment contract in foreign currency.

Underlying documents for sale of FCY against IDR:

- Ownership of foreign currency deposit onshore or offshore in the form of savings, checking account, deposit, and Negotiable Certificate of Deposit (NCD).

Underlying documents which are forecasted in nature:

- Cash Flow projection (Forecast) which is related to certain project with tenor 3 years forward from the date of the transaction, signed by the authorized person of the client to be submitted along with the contract of the project.

Additional Comments

All agencies for offshore financial products need to be registered and approved by Bank Indonesia.

Effective 1 January 2015, Non-Bank Corporations who have outstanding offshore loans or trade payables in foreign currencies are subject to the following regulations:

- Hedging ratio (to be done on at least 25% of Net FCY Liabilities. Tenor buckets: 0-3 mo and 3-6mo. Net FCY Liabilities are FCY Liabilities – FCY Assets).

- Liquidity ratio ((Asset + Hedging)/Liabilities in 0-3mo bracket >70% from 2017 onwards).

- Corporate credit ratings need to be > BB-. Rating requirements are relaxed for inter-co borrowing and only applies to direct lending (e.g. excluding trade loans). If the offshore loan is from the parent or guaranteed by the parent, the parent's rating may be used instead.

Effective 1 July 2015, all cash and non-cash transactions conducted within the territory of the Republic of Indonesia must be made in Rupiah.

Effective 1 Nov 2016, all outgoing foreign currency transfers with amounts >USD 100,000 equivalent must be accompanied with supporting documents. Exemptions apply for transfers into own account for the purpose of deposit placement within the domestic market or transfer for Bank's own transaction.

"Foreign Parties" mean:

a. Foreign citizens (including those who have stay permits or resident permits in Indonesia);

b. Foreign corporations or other foreign agencies (but does not include: (i) branch offices of banks domiciled overseas, (ii) foreign direct investment companies (PMA), or (iii) foreign corporations or agencies with non-profit activities);

c. Indonesian citizens with permanent resident status of another country and are not domiciled in Indonesia;

d. Overseas Banks' offices of Banks having their head offices in Indonesia**; or

e. Overseas companies' offices of companies incorporated in Indonesia.

**Banks are Commercial Banks as referred to in the Law regulating banking, and Sharia Commercial Banks and Sharia Business Units as referred to in the Law regulating sharia banking, including branch offices of banks domiciled overseas but excluding offices of Commercial Banks and Sharia Commercial Banks incorporated in Indonesia and operating overseas.

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Subsidiary Funding – Tax Consideration
Tax Summary – Indonesia

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT or lower (subject to implementing regulation) Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis	20% WHT or lower (subject to implementing regulation) • Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis • Exempt for certain countries if paid to a bank but linked to a government loan agreement or paid to specific financial institutions/banks	Interest paid to a resident company is subject to 15% WHT, which is creditable for the receiving company	N/A	Dividends paid from a resident sub to non-resident parent: 20% WHT, unless treaty in place then typically 10-15% Dividends paid from a resident to a individual tax payer is 0% provided such dividend is invested in Indonesia for a certain period of time (subject to implementing regulation) Dividends paid from a resident to corporate tax payer is 0% (without any condition)
Deductibility of interests	Generally deductible, unless D/E > 4x (excluding certain industries) • FI's and Infrastructure = not applicable • Mining and Oil & Gas industries carry special rules Transfer pricing rules apply			N/A	N/A
Deductibility of FX losses	FX losses are considered as Deductible expense while an FX gain is considered as taxable income, with the requirement FX recognition applied consistently				
Other taxes, duties	Stamp duty is nominal and payable as a fixed amount			N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

MALAYSIA (MYR – Malaysian Ringgit)

Citi in Malaysia

Citi's presence in Malaysia dates back to July 1959, serving both consumer and corporate clients. Citi Malaysia is a market leader in credit cards, holding the largest market share in sales volume (usage) and receivables, and has a dominant share in wealth management.

Within the corporate sphere, Citi Malaysia banks with 95% of target market top tier local companies and multinationals in the country. Citi is the top foreign owned bank for corporate FX, cross border cash management, e-payments and institutional investor transactions.

Citibank is the only foreign owned bank to be rated AAA by the Rating Agency Malaysia for 15 consecutive years.

Market Overview

Foreign Exchange

Bank Negara Malaysia (BNM), the central bank of Malaysia maintains the Malaysian Ringgit (MYR) under a managed floating system. BNM monitors the exchange rate against a currency basket to ensure that the exchange rate remains close to its fair value.

MYR is a non-internationalized currency, thus any offshore trading of MYR such as MYR non-deliverable forwards (NDF) is not recognized. While the MYR is not convertible outside of Malaysia, the authorities have over the years provided greater flexibility to improve business efficiency and enhance corporates' FX risk management.

Interest Rate

Malaysia has a dual banking system, where the non-interest rate based Islamic banking system operates alongside the interest rate based conventional banking system.

BNM provides guidance on interest rate via the Overnight Policy Rate (OPR).

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✓	✓
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	2,000 – 3,000	1,500 – 2,000	N/A	N/A	250 – 300	N/A	5 – 10
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2 *	Resident can sell MYR against foreign currency with licensed onshore bank up to underlying tenure of its foreign currency obligation *	N/A	Resident can sell MYR against foreign currency with licensed onshore bank up to underlying tenure of its foreign currency obligation *	10 years	10 years	Resident can sell MYR against foreign currency with licensed onshore bank up to underlying tenure of its foreign currency obligation *
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	2 – 4	5 – 10	N/A	5 – 10	5 – 10	5 – 10	5 – 10
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

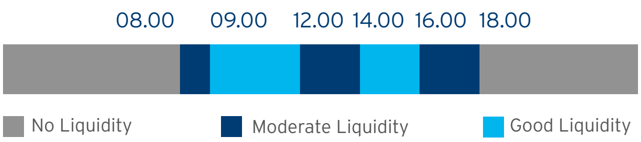
* Resident is allowed to buy or sell Foreign Currency against Ringgit for its own account on spot basis or forward basis with a licensed onshore bank (LOB), for transaction undertaken on Firm Commitment or Anticipatory basis, and shall be terminated when the Firm Commitment ceases to exist or the anticipated transaction does not materialise.

For FX hedging of FC obligations, a resident is free to sell ringgit against FC with a licensed onshore bank on –

1. spot basis up to the aggregate of its 6-month FC obligations; or
2. forward basis up to the underlying tenure of its FC obligations.

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing

Kuala Lumpur USD/MYR reference rate is published on Reuters MYRFIX2 at 3.30 local time, Monday to Friday except for bank holidays in Malaysia.

Convertibility

Buying and Selling of MYR

A **Resident** is allowed to buy or sell Foreign Currency against Ringgit for its own account:

- on Spot Basis with a Licensed Onshore Bank (LOB); or
- on Forward Basis with a LOB, subject to the following:
  a. the transaction is undertaken on Firm Commitment or Anticipatory basis, and shall be terminated when the Firm Commitment ceases to exist or the anticipated transaction does not materialise; and
  b. where the transaction involves –
     i. underlying Foreign Currency-denominated derivatives contract (excluding Exchange Rate Derivatives) offered by a Resident, the value of the transaction shall not exceed the net open position of the Foreign Currency exposure arising from the derivatives contract;
     ii. buying of Foreign Currency against Ringgit, it shall not be for deposit into FCA except for temporary placement arising from delivery of Foreign Currency under the Forward Basis transaction due to extension of payment timeline of the Foreign Currency Firm Commitment or temporarily placed into the FCA for subsequent payment out on the same day; or
     iii. selling of Foreign Currency against Ringgit, the Foreign Currency shall not be sourced from FCA except for Foreign Currency proceeds received earlier than the maturity date of the Forward Basis transaction.

A **Non-Resident** is allowed to buy or sell Foreign Currency against Ringgit for its own account:

- on Spot Basis with
  a. a LOB;
  b. an Appointed Overseas Office (AOO) for:
     i. settlement of international trade in goods or services on Firm Commitment or Anticipatory basis; or
     ii. other purposes on Firm Commitment basis;
- on Forward Basis (subject to paragraph 13 of Notice 1) with a LOB for:
  a. Current Account transaction on Firm Commitment or Anticipatory basis; or
  b. Financial Account Transaction on Firm Commitment basis. Where the Firm Commitment is a Ringgit-denominated derivative contract (excluding Exchange Rate Derivatives) offered by a Resident, the value of the transaction shall not exceed the net open position of the Ringgit exposure arising from the derivative contract, provided that the Forward Basis transaction shall be terminated when the Firm Commitment ceases to exist or the anticipated transaction does not materialise; or
- on Forward Basis (subject to paragraph 13 of Notice 1) with an AOO for
  a. settlement of international trade in goods or services with a Resident on Firm Commitment or Anticipatory basis; or
  b. other purposes on Firm Commitment basis. Where the Firm Commitment is a Ringgit-denominated derivative contract (excluding Exchange Rate Derivatives) offered by a Resident, the value of the transaction shall not exceed the net open position of the Ringgit exposure arising from the derivative contract, provided that the Forward Basis transaction shall be terminated when the Firm Commitment ceases to exist or the anticipated transaction does not materialise.

For further queries on transaction via an appointed overseas office, please speak to the onshore Sales team.

For complete text on Notice 1: Dealings in Currency, Gold and Other Precious Metals, please refer to the link:

https://www.bnm.gov.my/documents/20124/60360/Notice+1_Dealings+in+Currency%2C+Gold+and+Other+Precious+Metals.pdf

Foreign Currencies
A **Resident** is allowed to buy or sell Foreign Currency against another Foreign Currency on Spot Basis or Forward Basis with a LOB.

A **Non-Resident** is allowed to buy and sell Foreign Currency against another Foreign Currency on Spot Basis or Forward Basis with a LOB.

For further information and complete text of the Foreign Exchange Notices, please refer to the following links.

https://www.bnm.gov.my/fep

Regulation

Offshore restrictions
MYR is a non-internationalized currency, thus any offshore trading of MYR such as trading of MYR non-deliverable forwards (NDF) is not recognized. Please refer to BNM's press release on 13 November 2016, ref no: 11/16/09 "Prohibiting Facilitation of NDF Related Transactions".

https://www.bnm.gov.my/-/prohibiting-facilitation-of-ndf-related-transactions

Requirements to open a foreign currency account Documents required to open a foreign currency account include:

- Account Opening Forms.
- Tax related documents (examples include FATCA and CRS related documents).
- KYC related documents (examples include identification documents of authorized signatories and shareholders).
- Mandate to operate account (examples include board resolutions and power of attorney).
- Governance documents (examples include certificate of incorporation, constitution, and particulars of directors, managers and secretaries).

Deal Management

Rollover: Rollovers are permitted by performing mark-to-market at prevailing market rates and with net settlement. Supporting documents may be required.

Unwinding: Permitted by performing mark-to-market at prevailing market rates with net settlement, subject to the following conditions:

1. A request to unwind a trade for any of the following reasons:
   i. erroneous bookings,
   ii. residual value cancellations arising from bank charges or similar, or
   iii. for trades which were hedged based on "anticipatory basis",

   All requests must be in writing and by authorized signatories stating the reasons for the request and providing details of the account to be debited/credited:

2. Where the trade was entered into based on a "firm commitment" and the unwinding request is on the basis that the "firm commitment" no longer exists or is not materializing, documentary evidence of the fact must be provided prior to dealing. The request must be in writing and signed by authorized signatories stating the reasons for the request and providing details of the account to be debited/credited.
3. Where the trade was entered into based on a "firm commitment" and the client wishes to unwind the trade notwithstanding that the "firm commitment" still exists, documentary evidence of the fact must be provided prior to dealing. The request must be in writing and signed by authorized signatories stating the reasons for the request and providing details of the account to be debited/credited.
4. Where approval from BNM is required under the relevant foreign exchange policy (FEP) regulations for a trade, the BNM approval must be provided prior to the trade.

Please see the following link for information on FEP rules: https://www.bnm.gov.my/fep

Early Maturity: Permitted. Early utilization/maturity of deals to be settled at historical rate, plus/minus swap points. Supporting documents may be required.

Documentation Requirements

Product specific and Trade flows

For FX transactions (spot or forwards), the client should ensure that relevant documents are available for verification of compliance with Malaysia's FEP regulations.

This request (which may be a request from BNM for such documents) may be made after the maturity date of the foreign exchange contract.

The supporting documents that will be requested will be based on Client Due Diligence (CDD). Documents may be requested prior to the entry into the trade, during the tenure of the trade or after the maturity of the trade.

A LOB may require documentary evidence for any request to enter into, extend or cancel a foreign exchange contract.

A LOB may cancel a foreign exchange contract if its client fails to provide the requested documentary evidence or the commitment fails to materialize.

Capital flows/FDI

Capital flows/FDI are generally allowed into Malaysia, with some restrictions in certain sectors. Please speak to the onshore sales team for further guidance.

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Subsidiary Funding – Tax Consideration
Tax Summary – Malaysia

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties typically 5 – 15%, with further reduction possible on country-by-country basis	15% WHT • Under certain tax treaties typically 5 – 15%, with further reduction possible on country-by-country basis Interest on loans guaranteed by the Malaysian government are exempt from tax	No WHT	N/A	No WHT on dividends Certain treaties provide for a maximum WHT on dividends should Malaysia impose in the future
Deductibility of interests	Thin cap rules replaced by earning-stripping rules in January 2019: • Applied to interest expense (MYR 500,000+) on any financial assistance granted in controlled transactions (between two enterprises that are associated enterprises) • Maximum amount of interest deduction allowed is 20% EBITDA • Interest expenses in excess of the maximum deduction allowed may be carried forward indefinitely	Deductible if borrowings are wholly employed in the production of gross income or being laid out on assets used or held for the production of gross income, and interest is not specifically disallowed under the Malaysia Income Tax Act Deduction restricted if the borrowings are utilized for investments or non-business purposes. However, the amount restricted which is attributable to the investments can be claimed against taxable income derived therefrom		N/A	N/A
Deductibility of FX losses	Realized FX losses are deductible if borrowings/derivative/equity are wholly employed in the production of gross income				
Other taxes, duties	0.5% Stamp Tax on loan agreements			N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

PHILIPPINES (PHP – Philippines Peso)

Citi in Philippines

Citi's history in the Philippines dates back to July 1902, when the International Banking Corporation, forerunner of Citibank, first established a branch in Manila. With over 115 years in the Philippines, Citi is the largest foreign commercial bank in terms of customers, assets, and revenues, providing Corporate Banking, Markets and Securities Services, Transactional Banking, and Consumer Banking among others.

Market Overview

The Bangko Sentral ng Pilipinas (BSP) is the central bank of the Philippines. Per the BSP website (https://www.bsp.gov.ph/SitePages/Default.aspx), the country's exchange rate policy supports a freely floating exchange rate system whereby the BSP leaves the determination of the exchange rate to market forces.

Under a market-determined exchange rate framework, the BSP does not set the foreign exchange rate but instead allows the value of the PHP to be determined by the supply of and demand for foreign exchange.

Thus, the BSP's participation in the foreign exchange market is limited to tempering sharp fluctuations in the exchange rate. On such occasions of excessive movements, the BSP enters the market mainly to maintain order and stability.

When warranted, the BSP also stands ready to provide some liquidity and ensure that legitimate demands for foreign currency are satisfied.

When it comes to implementing monetary policy, BSP uses various instruments to achieve the inflation target set by the National Government. The primary monetary policy instrument of the BSP is the overnight RRP rate. The RRP rate is the rate at which the BSP borrows money from commercial banks within the country. The BSP raises or reduces its overnight RRP rate depending on the BSP's assessment of the outlook for inflation and GDP growth, and in doing so, implements its monetary policy stance. If the BSP perceives the inflation forecast to exceed the target, then it can implement contractionary monetary policy by raising its policy interest rate. On the other hand, if the BSP sees the inflation forecast to be lower than the target or there is need to increase liquidity in the financial

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗*	✓	✗	✓
Offshore	✗	✗	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	600 – 800	200 – 400	N/A	N/A	2	N/A	negligible
Offshore volume (MM USD daily)	N/A	N/A	300 – 500	100 – 200	N/A	N/A	10 – 15
Onshore max tenor (or typical tenor for spot)	T + 1	3 years	N/A	N/A	5 years	N/A	5 years
Offshore max tenor (or typical tenor for spot)	N/A	N/A	1 – 2 year	5 years	N/A	N/A	5 years
Onshore typical deal size (MM USD)	1 – 3	5 – 10	N/A	N/A	1 – 2	N/A	deals are episodic
Offshore typical deal size (MM USD)	N/A	N/A	5 – 10	10 – 20	N/A	N/A	5 – 10
CitiFX Pulse Capabilities	✓	✓	✓	✗	✗	✗	✗

*Options are tradeable, however quote to be provided by Citi on case by case basis only.

Source: Citi indicative information

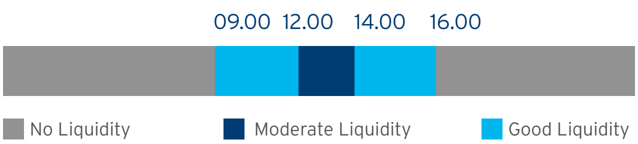
system, then it can implement expansionary monetary policy by reducing its policy interest rate. There are other actions that the BSP can do to contract or expand liquidity in the financial system such as increasing/decreasing the reserve requirement, encouraging/discouraging deposits in the overnight deposit facility (ODF) and term deposit facility (TDF) by banks, outright sales/purchases of the BSP's holdings of government securities, among others.

Convertibility

Convertible with restrictions onshore. The BSP's Manual of Regulations on Foreign Exchange Transaction (BSP FX Manual) outlines the eligible underlying transactions for which foreign currency may be purchased against PHP, some of which may require submission of prescribed supporting documents.

Market opening hours and liquidity during the day

Market hours: 09.00 to 16.00 (Interbank market closed from 12.00 to 14.00 – slightly poorer liquidity).



Fixing (incl. ticker)

The PHP fix is a weighted average spot rate of the morning's trades in the onshore spot market done from 9.00am to 11.30am Manila time, one day before value date as reported by the Bankers Association of the Philippines and published on Bloomberg as PHFRRATE Index. To trade off the fix value, orders must be passed before 9.00am (Manila time) on the prior day. For example to trade off the fix value 5 April, orders must be passed before 9.00am (Manila time) on 4 April.

Regulation

Offshore restrictions

Resident corporates in the Philippines can access the offshore market.

Non-resident restrictions

Non-residents are permitted to transact FX with an onshore entity with supporting documents. Non-residents can open a PHP account but with restrictions.

Non-resident PHP accounts shall be funded only by:

a. peso proceeds from conversion of inward remittance of convertible foreign exchange;

b. peso receipts of non-residents from, or peso sales proceeds of: (i) BSP-registered inward investments; and (ii) properties in the Philippines allowed to be owned by non-residents under existing laws;

c. onshore peso receipts of non-residents from residents for: (i) services rendered by non-residents to residents; and (ii) trade transactions, under Part Two, Chapters I and II of the FX Manual, respectively;

d. PHP receipts of expatriates working in the Philippines for less than 1 year representing salary/allowance/other benefits;

e. peso funds of: (i) foreign students enrolled for at least 1 school term in the Philippines; and (ii) non-resident Filipinos;

f. cash collateral used for investments under Securities Borrowing and Lending or similar arrangements;

g. peso receipts of non-residents from residents for payment of private sector foreign loans/borrowings and other loan-/borrowing-related transactions that are duly approved by/registered with/reported to the BSP (as applicable) under Section 24 of BSP FX Manual;

h. peso proceeds from the onshore sale by non-resident issuers of their equity and debt securities under BSP FX Manual Section 34; and

i. peso funds returned to non-residents for excess pesos arising from unrealized investments under Section 38.4 of BSP FX Manual.

Non-residents may purchase foreign currency up to the amount equivalent to the balance (including accrued interest thereon) of the peso non-resident deposit accounts that are funded by eligible sources of funds subject to the submission of an Application to Purchase FX form.

Peso deposits funded by item a above must have been used onshore to fund (a) private sector loans/borrowings which are duly approved by and/or registered with/reported to the BSP in accordance with the provisions the BSP FX Manual; and (b) inward investments which are duly registered with the BSP or registering banks (as applicable) in accordance with the provisions of the BSP FX Manual. For funds not yet transferred to the resident investee relating to excess pesos arising from unrealized investments, non-resident may purchase FX in accordance with Section 38.4 of BSP FX Manual, otherwise, prior BSP approval is required.

In the case of Items b, e and g, the non-resident or its authorized representative shall also present the BSRD (as required under pertinent provisions of the BSP FX Manual) for purposes of annotation of the peso amount converted to FX and reporting to the BSP of the underlying transaction.

Non-resident issuers of equity and debt securities under BSP FX Manual Section 34 may purchase foreign exchange up to the amount deposited in the peso account funded by Item no. g upon presentation of the original BSP approval/authority to purchase foreign exchange and submission of an Application to Purchase FX form.

FX purchased from banks shall be remitted directly to the account of the non-resident intended beneficiary (whether onshore or offshore) on the date of FX sale.

For sources of PHP funding other than those mentioned above, prior BSP approval is needed for non-residents to open a peso non-resident account and to enable the non-resident to purchase foreign currency using PHP.

No approval is needed for transactions involving foreign currencies on both side of the transaction.

Requirements to open a foreign currency account

Subject to submission of customary account opening documents.

Deal Management

Rollover, Unwinding and Early Maturities of deliverable forwards are permitted, subject to the submission of mark to market form, other required supporting documents and must be duly acknowledged by the counterparty of the bank.

Documentation Requirements

Import Trade flows

Trade transactions, excluding intercompany netting arrangements and digital payments through e-commerce market participants up to USD1MM of resident corporations (for payments to non-residents) only need to be supported by a BSP prescribed application to purchase foreign exchange. Transactions over USD1MM would need to be supported by shipping documents and invoices. Details of specific processes for FX purchase depending on payment type (i.e. open account) may be found in the BSP FX manual downloadable at https://www.bsp.gov.ph/SitePages/Default.aspx. Supporting document requirements are listed on Appendix 1.5 of the BSP FX Manual.

Regardless of FCY amount purchased, application to purchase FX and supporting documents will need to be submitted to the bank to settle import trade payables under intercompany netting or digital payments through e-commerce market participants.

FX forwards and swap transactions are allowed where the resident corporation is hedging market risk or covering funding requirements. Regulations does not allow double hedging at any given point in time and the total notional amount of the FX forward for swap should not exceed the amount of the underlying FX obligation. Minimum documentary requirements are listed in Appendices 18 of BSP FX Manual.

The transaction is subject to Citi's KYC processes for FX forwards where a resident corporation sells a foreign currency and buys PHP. There are generally no supporting documents required. On the other hand, supporting documents are required to be presented on or before settlement date, where a resident corporation buys a foreign currency and sells PHP. The specific documentary requirements depend on the nature of the underlying FX exposure.

For swap transactions where a resident corporation sells/buys USD, the transaction is subject to Citi's KYC policies on the first leg of the swap. The documentary requirements needed on the second leg of the swap depends on the nature of the underlying exposure.

Conversely, where a resident corporation buys/sells USD, supporting documents are required to settle the first leg of the swap transaction.

Non-trade flows

For non-trade transactions exceeding USD 1MM where a corporation buys FCY and sells PHP, application to purchase FX and supporting documents listed under Appendix 1 of BSP FX Manual will need to be submitted to the bank.

Regardless of FCY amount purchased, application to purchase FX and supporting documents will need to be submitted to the bank to settle non trade payments involving netting arrangements and/or e-commerce market participants.

Non-trade transactions may be hedged and documentation (under Appendix 1 of FX Manual) is to be provided to Citi on or before settlement date. Similar with trade flows, the total notional amount of the transaction cannot not exceed the amount of the underlying FX obligation/exposure.

Capital flows/FDI

Funding/Capital Infusion (sell FCY/buy PHP)

- A certificate of inward remittance is provided by Citi. This is needed to obtain a BSP registration document (Bangko Sentral Registration Document or BSRD). The BSRD is one of the required documents for capital and dividend repatriation.

Private Sector Foreign Currency Loans (not publicly-guaranteed)

- All private sector loans that are not publicly guaranteed and not covered by Section 24.3 of the BSP FX Manual shall be registered with the BSP if these are to be serviced with FX resources of banks. Supporting documents required from the corporation are as per mend to: Appendix 1.3 of the BSP FX Manual. Notice to the BSP is needed prior to purchase of FX for prepayment and payment on past due BSP-registered loans.
- All foreign borrowings, including bonds/notes/other debt instruments, whether or not these are BSP-registered shall be regularly reported to the BSP.
- All foreign currency loans (whether in favor of residents or non-residents) extended by banks operating in the Philippines shall be reported by the creditor bank to the Bangko Sentral ng Pilipinas (BSP) using prescribed forms. For loans extended to non-residents, these cannot be serviced with FX resources of Authorized Agent Banks (AABs)/AAB forex corporations.
- Authorized Agent Banks may only extend peso financing to non-residents without prior BSP approval if specifically allowed under the Manual of Regulations for Banks (MORB). Peso financing to non-residents is subject to prior BSP approval, if it is for use in projects/programs/purposes that are: (i) not covered under those specifically allowed under the MORB; and (ii) legitimate and not contrary to laws, regulations, public order, public health, public safety or public policy. The creditor bank shall submit to the BSP its application for approval of the proposed peso financing program to non-residents.

Additional Comments

Balance sheet hedging allowed on selected items,
Cash flow exposure hedges are permitted.

Overdrafts are not allowed by local regulations.

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Subsidiary Funding – Tax Consideration
Tax Summary – Philippines

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>20% WHT
Under certain tax treaties typically 10-15%, with further reduction possible on country-by-country basis</td><td>20% WHT
• Under certain tax treaties typically 10-15%, with further reduction possible on country-by-country basis
• Exempt, if interest is derived on a loan booked under the foreign currency deposit unit (FCDU) of a bank, where counterparty is a nonresident</td><td>2% creditable WHT if borrower is designated as a "Top Withholding Agent"
10% WHT if interest income is derived on a loan booked under the FCDU of a bank, where borrower is a resident</td><td>N/A</td><td>25% WHT on dividends
Lower rate of 15% applies in certain circumstances
• Under certain tax treaties typically 10-25%, with further reduction possible on country-by-country basis
• Exempt for dividends received by a domestic or a resident foreign corporation</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">The Philippines has no formal thin capitalization laws or regulations
Allowable deduction for interest expense is reduced by an amount equal to 20% of interest income that is subject to final tax</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="4">Only realized foreign exchange losses are allowable as deduction for income tax purposes</td><td>N/A</td></tr>
<tr><td>Other taxes, duties</td><td colspan="3">DST of PHP 1.50 for every PHP 200, or fractional part thereof of the loan amount</td><td>N/A</td><td>On original issuance of stocks, DST of PHP 2.00 on each PHP 200, or fractional part thereof, of the par value of the stock
• Exempt – Equities traded in Philippine Stock Exchange (PSE)</td></tr>
<tr><td>Comments</td><td>N/A</td><td>Interest derived by a foreign government or its agencies is typically exempt from Philippine tax
It is prohibited to use onshore swap market to create 'synthetic' PHP borrowing, i.e. borrow USD offshore and swap to PHP onshore</td><td>N/A</td><td>N/A</td><td>A lower WHT on treaty countries generally applies if the beneficial owner of the dividends is a company with a substantial ownership (10-25%; depending on country) in the dividend paying company</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

SINGAPORE (SGD – Singapore Dollar)

Citi in Singapore

Citi has been in Singapore since 1902 and is deeply embedded in Singapore's financial services sector. Represented in nearly every asset class, Citi Singapore is one of the largest banking employers in Singapore.

As a service center for Citi in Asia Pacific, Singapore hosts a number of Citi's state-of-the-art processing hubs and data center, serving various businesses in more than 30 countries around the world.

Globally, Singapore is a significant hub for Citi. The country houses a number of our regional and global client coverage and product units, and it is home to many of our Asia and ASEAN leadership teams. Our Changi site is also home to the Citi Innovation Lab for Treasury and Trade Solutions and Citi Solutions Center (CSC), which houses our bank's Operations and Technology (O&T) function that provides round-the-clock support for our businesses in Singapore and across the region.

Market Overview

The Monetary Authority of Singapore (MAS) functions as Singapore's central bank and operates a managed float against a currency basket comprising of the currencies of major trading partners. FX Market liquidity is generally good.

MAS uses primarily FX tools in the management of monetary policy and inflation, controlling the width, midpoint and slope of the crawling band.

Interest rates in Singapore are largely determined by foreign interest rates and market expectations of the future movements in the Singapore dollar, with a well-developed and liquid market in interest rate cash instruments and derivatives.

The ABS-SFEMC have identified the Singapore Overnight Rate Average (SORA) as the alternative interest rate benchmark for the Singapore Swap Offer Rate (SOR) and have set out a roadmap for this transition.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✓	✓
Offshore	✓	✓	✗	✓	✓	✓	✗
Onshore volume (MM USD daily)	1,000 – 1,500	1,000 – 1,500		500 – 700	600 – 1,000	10 per week	50 – 100
Offshore volume (MM USD daily)	included in the onshore volume	included in the onshore volume		included in the onshore volume	included in the onshore volume	included in the onshore volume	included in the onshore volume
Onshore max tenor (or typical tenor for spot)	T + 2	10 years	SGD is deliverable offshore and hence there is no NDF market	3 years	20Y	10Y	3 years (can quote longer if small size)
Offshore max tenor (or typical tenor for spot)	T + 2	10 years		3 years	20Y	10Y	N/A
Onshore typical deal size (MM USD)	5 – 10	40 – 50		40 – 50	15 – 20	10	2 – 5
Offshore typical deal size (MM USD)	5 – 10	50 – 100		20 – 40	15 – 20	10	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

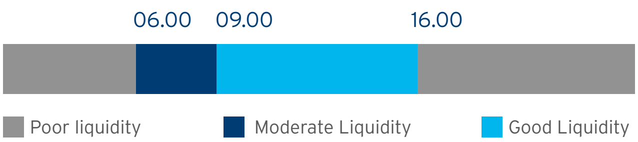
Source: Citi indicative information

The SORA is the volume-weighted average rate of borrowing transactions in the unsecured overnight interbank SGD cash market in Singapore between 8am and 6.15pm.

This shift is necessary given the expected discontinuation of USD LIBOR, following the announcement by the UK regulatory authorities that the benchmark will not be sustained by regulatory powers after end-2021. SOR relies on USD LIBOR in its computation methodology and the likely discontinuation of LIBOR after end-2021 directly impacts the future sustainability of SOR.

Convertibility
Fully convertible.

Market opening hours and liquidity during the day
The market is open 24 hours a day



Fixing (incl. ticker)
For options, FXBench3, 2pm Singapore time or Reuters ABSFIX01, 11.30am Singapore time.

Regulation

Offshore restrictions
Credit facilities extended to Non-Resident Financial Institutions (NRFIs) are limited to SGD 5mm for each Bank Entity. NRFIs must swap out SGD proceeds from financing activities when the proceeds are to be used outside Singapore. The proceeds may be maintained in SGD if they are to be used for investments in Singapore. Non-residents may hold local or foreign currency accounts onshore.

Non-resident restrictions
Both residents and non-residents may borrow internationally. Non-residents may hold local or foreign currency accounts onshore.

License requirements
No specific license requirements.

Requirements to open a foreign currency account
KYC requirements must be met prior to account opening.

Deal Management

Rollover: No local law restrictions on rollover or net settlement of SGD FX trades.

Unwinding: No local law restrictions on unwind or net settlement of SGD FX trades.

Early Maturity: No local law restrictions on early termination or net settlement of SGD FX trades.

Documentation Requirements

Product specific

No local law requirements on specific form or type of trade documentation to be used.

Trade flows

No local law requirements on specific form or type of trade documentation to be used.

Capital flows/FDI

No local law requirements on specific form or type of trade documentation to be used.

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Additional Comments

Balance sheet and cash flow exposures hedging permissible onshore.

Subsidiary Funding – Tax Consideration

Tax Summary – Singapore

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Apply only to non-residents who do not carry on business in Singapore • Under certain tax treaties typically 5-15%, with further reduction possible on country-by-country basis	15% WHT • Apply only to non-residents who do not carry on business in Singapore • Under certain tax treaties typically 5-15%, with further reduction possible on country-by-country basis	No WHT	N/A	No WHT on dividends Certain treaties provide for a maximum WHT on dividends should Singapore impose in the future
Deductibility of interests	Fully deductible			N/A	N/A
Deductibility of FX losses	Foreign exchange losses arising from capital transactions: Non-deductible Foreign exchange losses arising from revenue transactions: Deductible Foreign exchange losses arising from translating the financial statements: Non-deductible				
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	v

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

THAILAND (THB – Thai Baht)

Citi in Thailand

Citi's presence in Thailand started in 1967 with a 50-percent equity stake in Bangkok First Investment Trust. Two years later, First National City Finance was formed. In 1984, Citi acquired the Mercantile Bank in Thailand to obtain a full banking license, and the Citibank name was formally registered on November 1, 1985.

Citi is Thailand's largest and most diversified foreign bank, offering a full range of banking services across consumer, corporate, investment and private banking.

Citi's major commercial banking businesses include:

1. Foreign Exchange and other Global Markets Products.
2. Treasury, Cash Management, Trade Finance and Custodian Services.
3. Lending, Securitization and Capital Markets.

Market Overview

The current foreign exchange regime is operated as a managed float against a basket of currencies, with regular monitoring of the Nominal Effective Exchange Rate (NEER) by the Bank of Thailand in assessing national competitiveness. The most traded currency pair is USDTHB.

Commercial banks and financial institutions with a FX license can perform FX deals. There are no restrictions on the repatriation of investment, dividends as well as tenors/size as long as the underlying documentation supports the trade.

Thailand's major benchmark rates are BIBOR, THBFIX, and recently developed THOR, targeted to replace THBFIX. BIBOR is an interbank rate, heavily referenced in THB loan contracts in a domestic money market. Thai Baht implied interest rate, or THBFIX, enjoys a sizable liquidity from offshore players while THOR, a compound O/N repurchase rate, slowly gains traction in the market. THBFIX and THOR are typically referenced in interest rate swap contracts, namely IRS and OIS.

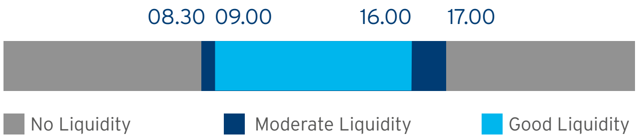
Convertibility
Convertible with limitations. Remitting outward and inward requires supporting documents.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✓	✓
Offshore	✓	✓	✗	✓	✓	✓	✓
Onshore volume (MM USD daily)	500 – 800	1,000 – 2,000	THB is deliverable offshore and hence no NDF	Negligible	50 – 100	No interbank market	10 – 50
Offshore volume (MM USD daily)	500 – 800	500 – 1,000		Negligible	70 – 120	No interbank market	Negligible
Onshore max tenor (or typical tenor for spot)	T + 2	1 year		1 year	10 year	10 year	15 years
Offshore max tenor (or typical tenor for spot)	T + 2	1 year		1 year	10 year	10 year	3 years
Onshore typical deal size (MM USD)	3 – 5	30 – 50		5 – 10	2.5 – 7.5	No interbank market	10 – 20
Offshore typical deal size (MM USD)	3 – 5	5 – 10		5 – 10	2.5 – 7.5	No interbank market	3 – 5
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Cut off for FX settlement instructions 1530 BKK time (for THBFIX USD/THB).



Fixing (incl. ticker)

The fixings are BOT01, THBFIX, and WM Reuters.

BOT01 is the weighted-average interbank exchange rate for USDTHB as published on Reuters page BOT01 at around 18.00 Bangkok time.

WM Reuters are standard exchange rates for USDTHB as published on Reuters page USDTHBFIX=WM.

Regulation

Non-resident restrictions

Requirements to open a THB non-resident account

THB accounts for non-residents are set as NRBA (for trade and services) and NRBS (for securities trading) with no fund transfers allowed between the two accounts.

NRBA and NRBS may not be in overdraft or be in credit balance in excess of total aggregate of THB 200MM at the end of each day which includes balance of all accounts opened by such non-resident with all domestic FI in TH and any breach of this regulation will be subject to penalty charges imposed by Bank of Thailand. Penalty charges could apply.

NRBA with tenors shorter than 6 months is not eligible for interest payment by regulation.

Non-residents dealing FX would require THB supporting documents, However, non-residents can trade FX value spot (T+2) without any underlying needed. A declaration on purpose of the FX transactions still required.

Any hedging for and on behalf of third parties who have underlying THB exposures require a power of attorney stating an authority in executing the transaction on the third party's behalf, and without any duplication in the use of the underlying.

Valid underlying documents

Trade invoices, inter-company loan agreements or relevant underlying documents will have to be provided prior to the execution of the FX transaction.

License requirements

No license required for entering the FX transactions with TH onshore banks.

License requirements

No license required for entering the FX transactions with TH onshore banks.

Resident restrictions

All persons receiving foreign currencies from abroad are required to sell or to deposit the foreign currency to an authorized financial institution account within 360 days from receipt.

There is a single foreign currency account for all FCD purposes. Thai residents can receive, buy/borrow a foreign currency and deposit it into a "single FCY account" with authorized bank without limit, regardless of whether there is an obligation. Domestic transfers among FCDs owned by Residents can be done freely. Outbound transfers can be done in accordance with the amount as stated in the obligations, or for the purpose of investments in foreign securities.

For onshore markets, underlying documents are required for booking spot and forward transactions. FX hedging shall be done with onshore Financial Institution where by the size and tenor shall be in line with foreign currency obligations and exposures. There is exception on obligation related to Goods and Services where by forecasted hedge can be done up to 1 year. Hedging longer than 1 year requires an invoice, unless prior approval has been obtained from the BOT.

Non-deliverable forward (NDF) on FCY/THB is not allowed. In addition, THB invoices or USD invoices between two resident counterparties that would be settled in THB could not be used as an underlying for FX hedge.

Deal Management

Rollover: Permitted with supporting documents, for net settlement only allowed with the same original hedging bank.

Unwinding: Unwind of FX contracts on goods and services is allowed if reasons fall under BOT pre-approved reason lists.

Early Maturity: Early take-up is allowed with the required provision of supporting documents at maturity.

Documentation Requirements

Trade flows

The underlying documents such as invoices or summary of invoices are needed for outward remittance. However, only purpose code is required for inward remittance.

Capital flows/FDI

Investment in Business abroad, the following evidence must be required:

- Board Resolution for investment.
- Certificate of registered capital and list of shareholders or partnerships certified by the Ministry of Commerce, in case of a juristic person.
- MOU (Memorandum of Understanding) or Tender offer, documents proving the acquisition.
- For investments of at least USD 10 million or equivalent at market rate, an "Acknowledgement of a Request for Investment in a Business Abroad" issued by the Competent Officer must be additionally required.

Lending to Business abroad, the following evidence must be required

- Intercompany Loan Agreement.
- Certificate of registered capital and list of shareholders.
- Evidence indicating the percentage of shareholding or ownership .
- Related evidences regarding the borrower such as a permit for business registration of the borrower, memorandum of association.
- For investments of at least USD 10 million or equivalent at market rate, an "Acknowledgement of a Request for Investment in a Business Abroad" issued by the Competent Officer must be additionally required.

Repayment of principal of loans from abroad, the following evidence must be required:

- Intercompany Loan Agreement.
- Evidence of inward remittance of the loans for which the transferor's name, country of origin, receiver's name, loan amount can be verified such as credit advice Swift MT103.

Remittance of dividend, the following evidence must be required:

- Board of meeting or Dividend declaration.
- List of shareholders.

Additional Comments

Effective in January 2021, the BOT has relaxed Rules and Practices under Measures to Prevent Baht Speculation, in the form of pilot project, to allow each type of financial institutions to enter into Baht-related transactions with NRs that are juristic persons and meet the qualifications as specified by the BOT (Non-resident qualified companies: NRQCs) in a more flexible manner. This aims that NRs that have trade and investment in Thailand can more flexibly engage in transactions in the domestic markets.

To request for the "qualified companies: QCs" status approval, NRs must:

1. Be a juristic person as specified in Rules and Practices under Measures to Prevent Baht Speculation.
2. Not operate business relating to financial transactions except treasury center business abroad and not operate gold-related business.
3. Have an obligation to make a payment or receive to/from residents, or be responsible for managing foreign exchange risk relating to Baht of other NRs having obligation to make/receive a payment to/from residents (not including portfolio investment).

NRQCs can enjoy the following benefits:

- Eligible underlying is extended to include the projection of Baht revenue/expense or financial statements (balance sheet hedging) due to trade, in addition to actual service or investment activities of NRQCs in Thailand.
- Underlying documents are not required to be submitted to FIs for checking.
- NRs will no longer be subject to a day-end outstanding limit for NRBA.

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Subsidiary Funding – Tax Consideration
Tax Summary – Thailand

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties typically 15%, with further reduction possible on country-by-country basis	15% WHT • Under certain tax treaties typically 10% rate applies to interest paid to a recipient that is a bank or financial institution (including an insurance company)	No WHT 1% WHT on interest paid to all resident corporations other than banks or finance companies, except where interest arises from bonds or debentures	N/A	Dividend: • Resident corporation: 10% WHT (0% if recipient listed locally) • Non-treaty: 10% WHT • Treaty: 10% WHT
Deductibility of interests	Fully deductible			N/A	N/A
Deductibility of FX losses	Fully deductible			N/A	N/A
Other taxes, duties	Stamp duty on loan documents capped at THB 10,000			N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

VIETNAM (VND – Vietnamese Dong)

Citi in Vietnam

Citi set its first footprint into Vietnam before 1975, and then started up a representative office in Hanoi in 1993. A year later, Citi became the first U.S financial institution licensed for branch opening and full branch establishment in Hanoi. In 1998, Citi opened the second branch in Ho Chi Minh City.

Over the past years, the total headcount has strongly grown from around 10 to over 800 in both offices. Currently, the bank offers a wide array of banking and financial services including Banking, Capital markets and Advisory; Treasury and Trade solution services; Commercial banking; Consumer banking, Markets and Securities services.

Market Overview

The State Bank of Vietnam (SBV) maintains strict currency controls and manages the VND tightly. USD is traded against VND within the trading band set by SBV. The current stipulated trading band of +/- 3% (effective from August 2015) is applied on the daily official rate published by SBV.

Most FX transactions must be conducted onshore. Almost all payments made in Vietnam must be in VND, except for a limited number of transaction types allowed in FCY as per SBV's regulations. Non-residents are only allowed to deal in the spot market.

SBV allows Forward Rate Agreement (FRA), Interest Rate Swap (IRS), Cross-Currency Swap (CCS), Interest Rate Options (cap, floor and collar) for hedging purpose only. Parties provide supporting documents to prove genuine purposes.

Convertibility

Supporting documents are required for the purchase of foreign currencies (FCY) against VND and against other FCY.

No supporting document is required for selling the FCY against VND.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore market only	✓	✓	✗	✗*	✗	✗	✓
Volume (MM USD daily)	1,000 – 2,000	200 – 400	N/A	N/A	N/A	N/A	N/A
Max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	1-3 years (**)
Typical deal size (MM USD)	2 – 5	2 – 5	N/A	N/A	N/A	N/A	5 – 10
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

* For G10 vs. G10.
** Typical tenor of CCY Swaps

Source: Citi indicative information

Market opening hours and liquidity during the day

- Cut off for same day value: 15:30 VNM time.
- Cut off for tom, spot and forward value, 1600 VNM time.

Regulation

Spot

The VND is a restricted, non-deliverable currency. Only the SBV, credit institutions and branches of foreign banks, who are granted FX licenses by SBV may participate directly in the foreign exchange market.

To purchase foreign currency against either VND or another foreign currency, supporting documents stating legal purposes, amount, currency, and payment date are required.

The ceiling USD deposit rate is 0.0% for both corporate and individual customers.

Non-resident can do the FX on-shore with limited functions (spot transactions, FX forward*, FX swap** only).

* Applied for Non-residents are foreign investors who purchase Government Bonds in VND issued in onshore market

** To extend the tenor of the signed forward transaction of the bond as underlying.

Forwards, FX swaps and options

The forwards market is mainly entered by residents with an underlying need. The SBV restricts the tenors of FCY-VND FX forward and FX swap contracts to a minimum of three days and a maximum of 365 days. The tenor of FX forward and swap transactions for non-VND currencies will be decided by banks and their customers.

The SBV sets the ceiling rates for USD-VND foreign exchange forward tenors. The maximum rate is set by the SBV using interest rate differentials based on the US Fed Funds target rate and the SBV's refinancing rate.

For offshore loans denominated in foreign currencies with the initial loan tenor or the remaining loan tenor greater than 365 (three hundred and sixty five) days, corporates are allowed to use Vietnamese Dong to purchase foreign currencies in forward transaction with tenor of 365 (three hundred and sixty five) days for the purpose of hedging exchange rate risks.

Foreign investors who purchase Government Bonds in VND issued in onshore market, are allowed to purchase foreign currencies in forward transaction to hedge exchange rate risk of the invested bond.

FX swaps are allowed to modify the tenor of the forward transaction, which is required written request from customers and documents to prove the change(s) to justify the objective reason, applicable only in case of change in payment plan. Note: only tenor is allowed to amend, not amending for other purposes.

VND FX options are not permitted, though options in other currencies are still tradable.

License requirements

No license required for clients entering the FX transactions with Vietnam onshore banks.

Others

Foreign investors are required to buy VND or use legitimate VND funds to buy securities on stock exchanges and/or the OTC market. They are also able to sell VND to repatriate sale proceeds and income after all tax obligations have been fulfilled. Investors are subject to the tax regulations issued by the Ministry of Finance.

Foreign investors are required to obtain the securities trading code issued by the Vietnam Securities Depository and to invest in securities in public companies, public funds in the securities market in Vietnam, including listed securities on stock exchanges and unlisted securities of public companies/public funds in the OTC market. For cash account, foreign investors are required to open an indirect investment capital cash account (IICA) in VND for indirect investment activities in Vietnam.

Deal Management

Rollover/Extension: Yes, provided that client submits written request enclosed with the supporting documents to justify the objective reason, applicable only in case of change in payment plan

FX swaps are used for rollover/extensions, but amend tenor of FX transaction only, not amending for other purposes.

Cancellation: Yes, Provided that client submit explanation letter (or supplemental agreement is executed by client and the bank). However, client is not permitted to gain from the unwinding trade. Therefore, the bank will apply the worse-off rate being the prevailing market rate or the original contract rate whichever is worse for client.

Early Termination: Yes, provided that client submits written request enclosed with the supporting documents to justify the reason, applicable only in case of change in payment plan.

FX swaps are used for early maturing, but amend tenor of FX transaction only, not amending for other purposes.

Documentation Requirements

Trade flows

Following supporting docs required for purchase of FCY against VND and against other FCY on trade date for SPOT value trades of common Import Payments:

- Invoice.
- Sales Contract.
- Customs declaration.
- Others (if requested).

For other types of payments, supporting document requirements may vary.

For Forward transactions, one/some of the above documents are required on trade date as long as that the document can prove the underlying FX exposure for the forward transaction, including: Purpose, Currency, Amount, and Payment Date/Payment Term. Full supporting document set is required on settlement date.

Purchase of FCY is required to be transferred out immediately (i.e: (i) for FX spot: within 2 business days from FX trade date but not later than Payment Date of the underlying transaction, (ii) for FX Forward: within 4 business days from the settlement date of FWD transactions), except for dividend repatriation in FDI companies which can be kept for 30 calendar days provided that the shareholders, being the beneficiaries of dividend, authorize the subsidiary in writing to make dividend payments on their behalf. Beyond that date, if clients can't submit all sufficient supporting document to transfer the fund out, the bank will have to cancel the whole deal and the worse-off rate will be used (original rate or prevailing market rate) whichever is less favorable.

The fully signed FX Confirmation must be returned to the bank via email or fax by latest by the next business day of the FX trading date and client is required to return to the bank the original signed and sealed copy (hard copy) within 10 (ten) business days from the day of transaction.

Documentations between client and the bank (including but not limited to: Dealing Authorization, Settlement Instruction, etc.) may need to include Vietnamese translation.

Capital flows/FDI

The following documents must be submitted to the bank:

Capital injection

- Investment license: the bank will check to monitor the cumulative capital injection amount to ensure that it does not exceed the registered/approved investment amount.

Inter-company offshore loan

- If tenor <1 year, client needs to submit loan contract.
- If tenor >1 year, client needs to submit loan contract and the central bank's certification on offshore loan registration.

Additional supporting document may be required, subject to the nature of the entity.

The direct investment capital flows must be executed through a direct investment capital account (DICA).

For offshore loans: depend on the borrower type, funding is required to go through DICA or offshore borrowing account.

Note: Intercompany Loan is the loan which offshore company lends to onshore company.

Capital Market Investments

Supporting document and proof of legitimation is required for all transactions (Listed securities: broker confirmation; unlisted securities: contract of private deal, approval from relevant authorities if applicable.

Additional documents may be required, subject to the nature of actual transactions).

The investment needs to be performed via indirect investment capital account.

Repatriation/dividend payment for direct investment

The following documents must be submitted to the bank:

- Board of Management Minutes on profit repatriation (BOM).
- Audited Financial Report of the repatriation fiscal year.
- Dividend Tax Declaration Form.

Note: Payment only can be made after 7 working days since the receipt date of tax authority (including receipt date) or Tax confirmation for Tax fulfilment if we receive Tax Notification for client's tax obligation incomplete.

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Subsidiary Funding – Tax Consideration
Tax Summary – Vietnam

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	5% WHT • Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis	5% WHT • Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis	No WHT	2% WHT on IRS 2% WHT on CCS	Bonds: • 5% WHT on coupon • 0.1% WHT on sales of bonds Equities: • 0% WHT on dividend • 0.1% WHT on sales of securities
Deductibility of interests	Cap on interest deduction to 30% of company's EBITDA	Fully deductible		N/A	N/A
Deductibility of FX losses	Fully deductible				N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	Offshore loans must be in foreign currencies A foreign loan can be made in any freely convertible foreign currency		Domestic loans are mostly required to be made in VND Local Vietnamese banks may also make loans in a currency other than VND in very limited circumstances	N/A	The WHT rates from the DTAs with Vietnam are higher, therefore those under the domestic law are applied instead

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

BANGLADESH (BDT – Bangladeshi Taka)

Citi in Bangladesh

Citi has been present in Bangladesh since 1987. Today Citi has three branches, two banking offices and more than 150 employees in Bangladesh.

Citi in Bangladesh operates across the Institutional Clients Group (ICG) supporting global multinational companies, large Bangladesh corporates, financial customers and public sector clients with award-winning cash management, trade services, agency and trust, and direct custody and clearing solutions, as well as FX and lending.

Citi has a well-developed Financial Institutions business supporting the cross-border transactions of nationalized and private sector banks in the country. Citi also plays a vital role as the leading book runner of capital-market solutions for our clients in Bangladesh.

Citi's Corporate Bank serves local corporates and multinationals across several industries, providing vital linkage and an integrated perspective throughout the Bangladesh supply chain and business operations.

Market Overview

Bangladesh Bank, the Central Bank of the country ensures monetary management and financial sector supervision to maintain price stability and financial system robustness, supporting rapid broad based inclusive economic growth, employment generation and poverty eradication.

Bangladesh Bank sets FX and Monetary Policy and maintains the BDT in a managed, floating regime. The tools and instruments for implementation of monetary policy in Bangladesh are Bank Rate, Open Market Operations (OMO), Repurchase agreements (Repo) & Reverse Repo, Statutory Reserve Requirements (SLR & CRR).

Convertibility

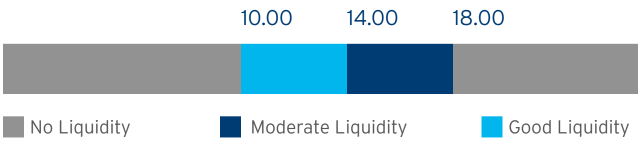
Convertible on Current Account transactions.
Resident owned capital is not freely transferable abroad.
Repatriation of profits or disinvestment proceeds on non-resident FDI and FPI inflows are permitted freely.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✓	✗	✗
Offshore	✓	✓	✗	✗	✓	✗	✓
Onshore volume (MM USD daily)	50 – 60	3-5	N/A	N/A		N/A	
Offshore volume (MM USD daily)	included in the onshore volume	included in the onshore volume	N/A	N/A		N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	Deal specific approval from Central Bank is required	N/A	Bespoke hedge dependent in the middle of the column*
Offshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A		N/A	
Onshore typical deal size (MM USD)	0.10 – 0.25	0.50 – 1.00	N/A	N/A		N/A	
Offshore typical deal size (MM USD)	0.10 – 0.25	0.50 – 1.00	N/A	N/A		N/A	
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

* Can also be applied to long-term NDFs

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fixing available.

Regulation

Residents

Residents may hold foreign currency accounts under specific conditions. FDI/FPI abroad is not allowed for residents. Borrowing from abroad is subject to specific approvals.

Non-resident restrictions

Non-residents may hold foreign currency accounts onshore. Repatriation of profits or disinvestment proceeds on non-resident FDI and FPI inflows are permitted freely.

License requirements

No specific license requirements.

Requirements to open a foreign currency account

KYC requirements must be met prior to account opening.

Deal Management

Rollover: Roll over/extension for the new delivery period to be done at the prevailing market rate, provided the bank is satisfied with documentary evidences that customers are unable to perform the contracts due to changes in the actual requirements or other valid exigencies.

Unwinding: Customer can cancel FX forward deals on or before maturity. Gains from cancellations cannot be passed onto client, however losses have to borne by the customer as cancellation charges.

Early Maturity: Early utilization of partial/full amount is allowed (If early maturity period was defined during forward booking).

Documentation Requirements

Product specific

Documents to show underlying commercial transaction is mandatory and is required before the FX trade date.

Trade flows

Relevant documents as defined under LC/Trade terms.

Capital flows/FDI

Relevant documents as required under remittance purpose headings and additional documents to fulfill Central Bank approval requirements.

Additional Comments

Balance sheet hedging permissible on selected items.
No hedging is allowed based on past performance.

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Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

INDIA (INR – Indian Rupee)

Citi in India

Citibank India is headquartered in Mumbai. It is the largest and most awarded foreign bank in India serving clients across Institutional and Consumer segments, it offers the entire spectrum of financial services such as corporate and investment banking, securities brokerage, private banking and retail banking.

Market Overview

The Reserve Bank of India (RBI) maintains the INR in a managed floating regime. The INR is convertible on the current account but is relatively restricted on the capital account. The RBI monitors the value of the INR against a Real Effective Exchange Rate. The INR exchange rate is determined in the interbank foreign exchange market. Additionally, a daily benchmark fixing is published by the Financial Benchmarks of India Limited (FBIL) for INR against USD, JPY, GBP and EUR.

While there is no band or peg that the RBI monitors, the value of the INR is tracked on the basis of the REER.

RBI tracks the 6-country and 36-country REER indices as indicators of external competitiveness. The 6-country REER is tracked against USD, EUR, GBP, JPY, CNY, and HKD. However, the INR rate has been known to deviate significantly from the longer-term REER average. Though there is a stated policy of allowing market moves based on underlying fundamentals, the RBI can intervene actively in the foreign exchange market in cases of excessive volatility.

The Reserve Bank of India (RBI) conducts the monetary policy with the primary objective of maintaining price stability while keeping in mind the objective of growth. Price stability is a necessary precondition to sustainable growth. The Monetary Policy Committee (MPC) determines the policy interest rate required to achieve the inflation target.

RBI uses several direct and indirect instruments for implementing monetary policy: repo rate, reverse repo rate, Cash Reserve Ratio, Statutory Liquidity Ratio, Liquidity Adjustment facility, Marginal Standing facility. RBI frequently conducts Open Market operations for purchase and sale of government securities, for managing liquidity.

RBI has allowed sustained development of INR Interest rate swap market and allowed certain benchmarks for effective risk mitigation and expressing rate view.

Convertibility

Fully convertible on current account onshore.

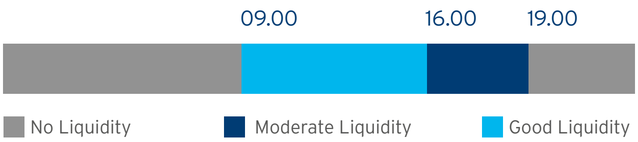
Partly convertible on capital account, and capital account transactions are subject to specific documentation requirements/ regulatory approvals.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✗*	✓
Offshore	✗	✗	✓	✓	✓	✓	✓
Onshore volume (MM USD daily)	13,000 – 15,000	500 – 600	5,000 – 7,000 (X)	100 – 300	1,500 – 2,000	Nil (as of now)	80 – 100
Offshore volume (MM USD daily)	N/A	N/A	1,500 – 2,500	500 – 800	1,500 – 2,000	Nil (as of now)	50 – 75
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	10 years (X)	5 years	10 years	10 years	10 years
Offshore max tenor (or typical tenor for spot)	N/A	N/A	10 years	5 years	10 years	3m1y to 1y5y	5 years
Onshore typical deal size (MM USD)	5 – 10	10 – 15	5 – 10 (X)	5 – 10	5 – 10	NA	10 – 20
Offshore typical deal size (MM USD)	N/A	N/A	25	50	30 – 50	10	10 – 20
CitiFX Pulse Capabilities	✓	✓	✓	✗	✗	✗	✗

* Expected to start soon

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

FBIL benchmark fixing is calculated during the window between 11.30 AM-12.30 PM and published around 01:30pm Mumbai Time or thereafter as soon as practicable.

RBI has issued separate guidelines for users to manage their FX exposure and INR interest rate exposure.

FX Regulations

Offshore restrictions

Resident entities can access the onshore INR FX markets (both OTC and exchange traded) to hedge FX exposures, but are not allowed to hedge exposures in the offshore market.

Effective September 1, 2020, RBI has revised the regulations for risk management and interbank dealings for hedging of foreign exchange risk. Onshore hedging regulations are now uniform for all entities whether resident in India or resident outside India, and hence non-resident entities can access the onshore INR market hedge INR denominated exposures.

License requirements

No licenses required for clients to execute spot and forward transactions in the onshore market. A Legal Entity Identifier (LEI) is required for all forward transactions as well as for spot transactions with notional more than USD 1 mio (or equivalent).

Requirements to open a foreign currency account

All categories of foreign exchange earners, such as individuals, companies, etc., who are resident in India, may open Exchange Earners' Foreign Currency Account (EEFC).

- Permissible credits and debits to an EEFC account are clearly defined by the RBI regulations.
- Foreign currency bought against local currency cannot be credited to EEFC account.
- 100% foreign exchange earnings can be credited to the EEFC account subject to the condition that the sum total of the accruals in the account during a calendar month should be converted into Rupees on or before the last day of the succeeding calendar month after adjusting for utilization of the balances for approved purposes. This is not applicable for SEZ accounts.

Requirements to open an INR account by non-resident entities

Non-resident entities are permitted to open Special Non-Resident Rupee (SNRR) accounts for transactions commensurate with their business operations. Permissible transactions through the SNRR accounts include trader credits in INR, export/import invoiced transactions in INR, external commercial borrowings (ECB) in INR, etc.

Deal Management for clients

Rollover: Permitted, mark-to-market at prevailing market rate. Net settlement.

Unwinding: Permitted, an offsetting trade will be booked based on the prevailing market rate. Net settlement.

Early Maturity: Permitted, gross settlement. The deal is settled at the original deal rate and the swap points are debited/credited separately.

Transactions for value spot or tomorrow are on a deliverable basis.

Cancellation or rollover of such transactions is not permissible. In case of a cancellation, losses are passed to the client while gains are withheld.

Documentation Requirements

Product specific

FX Spot
- KYC + Onboarding.
- No documents required at the time of booking. However, the deal has to be settled on delivery-basis.

FX Forwards/derivatives
- KYC + Onboarding.
- Board resolution/Dealing mandate.
- ISDA, CSA (as applicable).

Users can undertake execution of foreign exchange derivatives to hedge anticipated exposures and contracted exposures.

Anticipated exposures: An exposure to the exchange rate of INR against a foreign currency on account of permissible current and capital account transactions, which are expected to be entered into the future.

- Basic information around the nature of exposure being hedged to be provided at the time booking the derivative contract.
- Net gains (gains over and above losses if any) on contracts booked to hedge an anticipated exposure shall be passed on to the hedging entity only at the time of the cash flow of the anticipated transaction. In case of part delivery, net gains will be transferred on a pro-rate basis.
- Monitoring of net gains or losses to be done on a contract basis.

Contracted exposures: An exposure to the exchange rate of INR against a foreign currency on account of permissible current and capital account transactions, which have already been entered into.

- Evidence of underlying exposure to be provided within 15 calendar days of booking the hedge.
- No restriction on passing of gains on cancellation, subject to provision of required underlying documentation.

Special Dispensation: Hedging users are allowed to book derivative contracts up to USD 10 million equivalent of notional outstanding at any point of time without the need to establish the existence of underlying exposure.

Users are classified into retail or non-retail users and eligible derivative products available for hedging is dependent on this user classification.

The following users shall be eligible to be classified as non-retail users:

- All entities regulated by a financial sector regulator subject to general or special permission of the concerned regulator.
- Exim Bank, NABARD, NHB and SIDBI.
- Companies with a minimum net worth of Rs 500 crores.
- Persons resident outside India other than individuals.

Any user who is not eligible to be classified as a non-retail user shall be classified as a retail user. Any user who is otherwise eligible to be classified as a 'non-retail' user shall have the choice to be classified as a 'retail' user by market-makers.

Retail Users
- Eligible products: Forwards, purchase of European call and put options, purchase of European call and put spreads, covered options against underlying docs and swaps.

Non-Retail Users
- Eligible products: All eligible products for Retail users and any derivative contract provided that the potential loss from the derivative transaction to the user, in any scenario, does not exceed the loss that the user would face if he had left the position unhedged.
- Domestic non-retail corporates having an INR liability may swap it into a foreign currency liability through a currency swap.

Trade flows
Trade transactions have to be supported with underlying documents.

Payment Checklist:

- Trade import payments.
  - Payment/debit instruction.
  - Commercial Invoice details.
  - Additional documents may be required depending on trade terms.
- Payment for import of services – A2.
  - A2 form.
  - Payment/debit instruction.
  - Invoice copy.
  - Tax declarations (15 CA/CB).
  - Other documents depending on the nature of payment (dividend, royalty, technical fees, etc.).

Export Checklist:

- Purpose of export remittance.
- Commercial Invoice details.
- Transport Document.

INR payments are allowed for INR billed transactions.

Hedging by Non-resident entities

Non-resident entities are permitted to hedge both anticipated and contracted exposures denominated in INR, which are either current account or capital account in nature.

Non-resident entities can execute such derivative transactions either directly with an Authorized Dealer bank in India or through its overseas bank (including overseas branches of Authorized Dealer banks in India).

Additional Comments

Hedge tenor must not exceed underlying maturity.

Companies incorporated in India may not transact NDFs (in any currency).

Non-resident entities may invoice in INR and related exposures may be hedged in India or outside India.

Non-resident parent of an Indian subsidiary or its centralized treasury or its regional treasury outside India, may hedge FX exposure of its Indian subsidiary, through All FCY-INR derivatives, OTC as well exchange traded as eligible per FEMA, 1999.

Guidelines for INR Interest Rate Derivatives

INR Interest Rate Hedging can be done to mitigate INR interest rate risk either at balance sheet level or at portfolio level or at individual asset or liability level.

User Classification

Non-retail users shall include entities regulated by the Reserve Bank; (b) insurance companies; (c) mutual funds, pensions funds and other collective investment vehicles; (d) All India Financial Institutions (AIFIs), viz., Exim Bank, NABARD, NHB and Small Industries Development Bank of India (SIDBI); and, (e) companies/entities with net-worth of INR 5 billion or above.

Any user who is otherwise eligible to be classified as a 'non-retail' user shall have the choice to be classified as a 'retail' user by market-makers.

The guidelines for Resident (Retail/Non-Retail) and Non-Residents are as follows:

Resident Retail Users

- Allowed to transact INR IRD only for the purpose of hedging underlying interest rate risk.
- Products allowed: Forward Rate Agreement (FRA), Interest Rate Swap (IRS) and European Interest Rate Options (IRO) including caps, floors, collars and reverse collars.

Resident Non-Retail Users

- Allowed to transact INR IRD for the purpose of hedging underlying interest rate risk and otherwise.
- Products allowed: Products allowed for resident Retail users, swaptions, non-leveraged structured derivative products (combination of cash and/or generic derivative instrument).

Non-Resident Users

- Non-resident clients from a FATF compliant country complying with RBI KYC requirements are allowed to transact INR IRD.
  - For purpose of hedging INR interest rate risk. non-residents may undertake using FRA, IRS, European IRO, swaptions, non-leveraged structured derivatives.
  - For purposes other than hedging, non-residents (other than individuals) may undertake Overnight Indexed Swaps (OIS) transactions either directly with a market-maker in India, or by way of a 'back-to-back' arrangement through a foreign branch/parent/group entity (foreign counterpart) of the market-maker.
  - Foreign Portfolio Investors (FPIs), collectively, may also transact in interest rate futures (IRF) up to a limit of net long position of INR 50 billion.
  - All payments related to IRD transactions may be routed through a Rupee account of the non-resident or through a vostro account maintained with an Authorised Dealer bank in India.

Documentation

- KYC + India onboarding.
- Board resolution/Dealing mandate.
- ISDA, CSA (Global CSA acceptable).
- Regulatory declarations.

This is only a brief representation of the RBI guidelines. Full set of RBI guidelines are available on www.rbi.org.in.

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Subsidiary Funding – Tax Consideration
Tax Summary – India

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT • Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis 5% WHT on FCY borrowed via a loan agreement		10% WHT	For Non-residents – WHT on gains on derivatives will attract 40% tax For residents – nil WHT	Dividend distribution tax replaced (April 2020) by WHT of 10% for residents and 20% for non-residents Under certain tax treaties typically 10%, with further reduction possible on country-by-country basis For Non-residents – Gains on equity will also be subject to tax. The rate depends on multiple criteria i.e. residency, on market/ off market, period of holding etc.
Deductibility of interests	Cap on interest deduction to 30% of company's EBITDA Excess interest expenditure disallowed in that year can be carried forward for eight years and would be available for set-off	Fully deductible Any interest paid by a taxpayer on capital borrowed for the purposes of the taxpayer's business or profession is tax-deductible without any limit		N/A	N/A
Deductibility of FX losses	Fully deductible, if it is in the nature of business income				
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

SRI LANKA (LKR – Sri Lankan Rupee)

Citi in Sri Lanka

Citi has been present in Sri Lanka since 1979. Citi Sri Lanka is a one branch operation with just below 100 employees.

Citi in Sri Lanka operates across the Institutional Clients Group (ICG) supporting global multinational companies, large Sri Lankan corporates, financial customers and public sector clients with award-winning cash management, trade services and direct custody and clearing solutions, as well as FX and lending.

Citi has a well-developed Financial Institutions business supporting the cross-border transactions of nationalized and private sector banks in the country.

Citi's Corporate Bank serves local corporates and multinationals across several industries, providing vital linkage and an integrated perspective throughout Sri Lanka supply chain and business operations.

Market Overview

Sri Lanka currently ensures price stability with an inflation target between 4-6% via the Central Bank of Sri Lanka along with sound supervision of the financial sector. Currently, monetary policies are tailored towards a low interest rate regime, along with a blend of Modern Monetary Theory (MMT). Interest rates are kept in line through yield curve control, and quantitative easing is pursued in the absence of sufficient credit appetite. Fiscal policies are also currently tailored to be expansionary, with increased spending allocations on infrastructure and public spending, along with a focus on facilitating sustainable export concentrated industries.

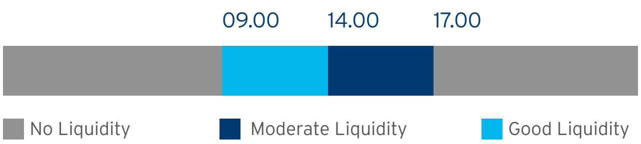
Currently monetary policy is controlled primarily via the Policy Rate, which entails secured lending and borrowing by the Central Bank, the Bank Rate, which involves unsecured lending and borrowing by the Central Bank, the Statutory Reserve Ratio as well as Open Market Operations in Repos and Reverse Repos. Other secondary tools currently used include yield curve control and Open Market Operations in FX Swaps. The Central Bank maintains a soft peg on the Foreign Exchange Rate, not allowing for undue fluctuations against the US Dollar.

Convertibility
Convertible on Current Account transactions.
Resident owned capital is not freely transferable abroad.
Repatriation of profits or disinvestment proceeds on non-resident FDI inflows are permitted freely.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✓
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	30 – 40	10 – 20	N/A	N/A	N/A	N/A	20 – 30
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore max tenor (or typical tenor for spot)	T + 2	1 Year	N/A	N/A	N/A	N/A	1 Year
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore typical deal size (MM USD)	0.50 – 1.00	0.50 – 1.00	N/A	N/A	N/A	N/A	1.00 – 3.00
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent*
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*Can also be applied to long-term NDFs
Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fixing available.

Regulation

Residents

Resident corporates may hold business foreign currency accounts (BFCA). Borrowing from offshore is subject to specific approvals.

Non-resident restrictions

Non-residents may hold foreign currency accounts onshore.
Investment related – Inward Investment account.
Current Transaction relation – FCBU account.
Repatriation of profits or disinvestment proceeds on non-resident FDI inflows are permitted freely.

License requirements

No specific license requirements.

Requirements to open a foreign currency account

KYC requirements must be met prior to account opening.

Deal Management

Rollover: Rollover/extension for the new delivery period to be done at the prevailing market rate, provided the bank is satisfied with documentary evidences that customers are unable to perform the contracts due to changes in the actual requirements or other valid exigencies.

Unwinding: Customers can cancel FX forward deals on or before maturity. Gains from cancellations cannot be passed onto client, however losses have to borne by the customer.

Early Maturity: Early utilization of partial/full amount is allowed.

Documentation Requirements

Product specific

Documents to show underlying commercial transaction is mandatory and is required on or before the FX trade date. Further there is a requirement to have a board resolution in place to enter into transactions.

Trade flows

Relevant documents as defined under LC/Trade terms.

Capital flows/FDI

Relevant documents as required under remittance purpose headings and additional documents to fulfill Central Bank approval requirements.

Additional Comments

Balance sheet hedging permissible on selected items. Hedging is also allowed based on past performance.

Foreign Investors are permitted hedge FI and Equity (CSE) exposures. There are specific regulations issued by CBSL covering these and above requirements.

*The Central Bank recently issued a circular temporally halting FX forwards for a period of 3 months (till 26th April 2021).

For latest regulatory updates please refer https://www.cbsl.gov.lk/

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Source: Relevant legislation, publicly available sources.

LATIN AMERICA

- Argentina
- Bahamas
- Brazil
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- El Salvador
- Guatemala
- Haiti
- Honduras
- Jamaica
- Mexico
- Panama
- Paraguay
- Peru
- Trinidad and Tobago
- Uruguay

ARGENTINA (ARS – Argentine Peso)

Citi in Argentina

Founded in 1914, Citi's commitment to Argentina is manifested by its presence in 10 cities and the broad range of financial services and products it offers. For more than 100 years, Citi Argentina has undergone technological advances that have provided its clients with innovative financial solutions and accessibility at their fingertips.

Main clients of Citi Argentina are multinationals, large and middle size local companies and local and foreign institutional investors.

FX Market Overview

The Argentine foreign exchange market is regulated by the Argentine Central Bank (BCRA).

Spot transactions can only be traded onshore and are usually settled on the same day, but can trade up to T+2.

To date, the local market trades spot and NDF. The interbank market trades spot in the Mercado Abierto Electrónico (MAE) and NDF in MAE and in the Rosario Futures Exchange (ROFEX), both as central counterparties.

On September 1st, 2019, the Argentine Executive Branch enacted Decree 609/2019 ordering the sale of export proceeds in the FX Market and instructing the Argentine Central Bank (BCRA) to establish rules to regulate access to the FX Market distinguishing between corporations domiciled in Argentina, individuals and non-residents. On the same day and in accordance with Decree 609/2019, BCRA published Communication "A" 6770 setting new rules applicable to the FX Market, also referred to as FX Regulations. Since then, BCRA published a number of additional regulations. Each communication and its summary can be found on the BCRA website.

Convertibility
ARS is not convertible, since there are strict limits and regulations to convert ARS into USD and viceversa.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✗	✓	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	500 – 600	N/A	400 – 500	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	10	N/A	N/A	N/A	By orders
Onshore max tenor (or typical tenor for spot)	Up to T + 2	N/A	6 months	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	3 months	N/A	N/A	N/A	2 years
Onshore typical deal size (MM USD)	1 – 3	N/A	3 – 5	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	3	N/A	N/A	N/A	5
CitiFX Pulse Capabilities (onshore)	✓	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✓	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

There are two FX fixings:

PPN (Precio Promedio Negociado):
PPN is computed on the transactions closed between financial entities in the electronic platform SIOPEL and published by the MAE on a daily basis. It is the main fixing rate used for offshore contracts. It is the weighted average rate of all spot transactions with amounts greater than 500,000 USD traded until calculation time. The PPN is calculated every day at five different times (11am, 12pm, 1pm, 2pm and 3pm).

PPN Bloomberg Ticker: {ARS MAEM Curncy}
"A" 3500 BCRA FX Reference Rate:
The BCRA FX Reference Rate is used exclusively for onshore contracts and is calculated based on BCRA Communication "A" 3500. The BCRA requests bid/ask quotes from authorized FX dealers in three rounds of 15 minutes between 10am-11am, 12pm-1pm and 2pm-3pm. The final rate is the arithmetic average of the internal market quotes of each period.

Rates Market Overview

There are Republic of Argentina bonds denominated in ARS and issued at fix rate, floating rate, dollar-linked and inflation-linked. However, there is no interest rate swap nor interest rate option markets.

BADLAR: Average interest rate paid on ARS time deposits with a tenor between 30 and 35 days and a size of ARS 1,000,000 or more. Badlar is widely used as a benchmark in contracts.

Regulation

Spot

Spot transactions are highly regulated by the BCRA (below is a summary of current regulations).

Forwards

Currently, there is no full-deliverable forward market in Argentina.

NDFs

Offshore non deliverable forwards are traded OTC under ISDA Master agreements. These NDFs are net settled in USD and use the PPN as the fixing rate.

Onshore NDFs are traded OTC as well as in the following trading venues: Rosario Futures Exchange (ROFEX), Mercado Abierto Electrónico (MAE) and Bolsas y Mercados Argentinos (ByMA). A local master agreement and a confirmation are required. Onshore NDF use the BCRA Reference Rate "A" 3500 for fixing purposes and are net settled in ARS.

Options

Currently there is no FX Options market.

XCCY swaps

Offshore swaps are traded OTC under ISDA Master Agreement definitions. Swaps are also settled in USD and have poor liquidity.

Requirements to open a foreign currency account

Residents are allowed to have USD denominated accounts. Remittance by residents of USD funds from onshore to offshore accounts is permitted only to individuals.

Documentation Requirements

Product specific

Supporting documentation requirements for:

- FX Spot: Instruction letter as per Citi´s forms with transaction details and mandatory information plus supporting documentation.
- NDF: Local Master Agreement + Confirmation.
- Offshore Derivatives: ISDA Master Agreement + Confirmation.

Spot Restrictions (as of May 2021)

The market has become highly regulated, and restrictions were substantially increased effective September 1, 2019 as per Decree 609/2019 and BCRA Communication "A" 6770. Several FX regulations were published thereafter.

Below, we list the most important FX regulations as of May 2021. They must be read together with BCRA communications and other regulations and may be subject to change from time to time. BCRA communications and an organized summary can be found on the BCRA website. Latest summary was published on June 24, 2021.

All FX transactions must be made through an authorized entity and require written instructions by the company. Banks must check the reasonability of the transaction instructed and compliance with limits and requisites established in BCRA regulations. Consequently, clients are required to provide supporting documentation to the satisfaction of the bank in accordance with the type of FX transaction instructed.

Inflows

Proceeds from exports of goods and services must be transferred into Argentina and converted into ARS within pre-established time limits.

Proceeds from foreign financial indebtedness disbursed as of September 1, 2019 and proceeds from the issuance by Argentine residents of USD-denominated debt securities registered in Argentina as of November 29, 2019, must be transferred into Argentina and converted into ARS as a mandatory condition to access the FX Market to repay interest and principal at maturity.

Outflows:

The ability to purchase foreign currency is subject to strict limits. Access to foreign currency without BCRA prior approval is permitted in the cases listed below, subject to fulfillment of the requirements established in BCRA regulations (including, but not limited to those described below). Other cases require BCRA prior approval (for example, among other cases, dividend payments, prepayments and transactions with affiliates).

1. Any purchase of foreign currency, including transactions between different foreign currencies (*arbitrajes*) and the transfer of foreign currency from a local account to an offshore account (*canje*), requires the company to submit sworn statements to the bank declaring:

   (A) That, on the trading day, the individual or entity has not sold securities in exchange for foreign currency and has not transferred securities offshore during the 90 calendar days before the trading day and will not do so during the 90 calendar days following the trading day.

   (B) That, on the trading day, (i) the entity does not own "available" external liquid assets in excess of USD 100,000 (external liquid assets are, among others, physical foreign currency, gold, deposits in foreign entities and another liquid investments) and (ii) that all foreign currency holdings in Argentina are deposited in financial entities. Certain exceptions apply if the entity holds more than USD 100,000 in external liquid assets.

2. Offshore financial debt:

   (A) Interest payments are permitted.

   (B) Principal payments can, as a general rule, only be paid at maturity (or as early as 3 business days before maturity).

   (C) Until June 30, 2022, principal payments under offshore financial debt with affiliates cannot be paid without BCRA´s prior approval.

   (D) Principal payments with scheduled maturities until June 30, 2022, must be partially refinanced, as required by Communication "A" 7106 (and related and complementary FX Regulations). Access to the FX Market on the original principal payment dates within such timeframe must not exceed 40% of the original principal due. The remaining principal amount must be refinanced with new offshore financing with an average life of 2 years. The refinancing requirement is not applicable to (i) foreign financial debt with multilateral agencies; (ii) indebtedness guaranteed by multilateral agencies; and (iii) principal payments of up to USD 1,000,000 per calendar month. Restrictions and refinancing obligation described in this item 2.(D) also apply to debt securities denominated in foreign currency with public registration in Argentina, issued by the private sector and local financial entities.

3. Principal and interest under financial and trade loans in foreign currency granted by local banks can be paid by borrower through the FX Market.

4. Imports of goods and imports of services from non-affiliates can be paid on the maturity date. Importers can purchase foreign currency to anticipate import payments to non-affiliates but must demonstrate that the corresponding import has taken place within 90 calendar days from the day of the foreign currency purchase, or 270 days for capital goods.

5. Until June 30, 2022, access to the FX market to pay import of goods and principal of related commercial debt requires BCRA's prior approval. However, there are certain exceptions described in detail in BCRA Communications "A" 7193 (as modified by Communications "A" 7239 and 7253) that amended section 2 of Communication "A" 7030.

6. Argentine companies and non-residents cannot buy foreign currency with no specific purpose without BCRA´s prior approval. Multilateral agencies and ECAs, embassies and consulates, international courts, special missions, commissions and bilateral organizations established by treaties or special agreements to which Argentina is a party, can purchase foreign currency if the purchase is related to their normal activities.

7. Payment of dividends to non-resident shareholders is permitted for up to 30% of new foreign direct investment in an Argentine company. The following conditions must be met: (i) the foreign currency related to the investment must have been sold through the FX Market on January 17, 2020 and thereafter; (ii) payment can only be made 30 calendar days as of the last sale in the FX Market; (iii) evidence of final capitalization of the investment in the local company (or commencement of such process before the Public Registry of Commence to be concluded within 365 days thereafter); and (iv) the payment obligation must be duly registered with BCRA in accordance with informative regime established in Communication "A" 6401 as modified by "A" 6795. All other dividend payments to non-resident shareholders require prior BCRA approval.

8. Repatriation of direct investments by non-Argentine residents in Argentine companies that do not control local financial institutions is permitted, provided that the capital contribution was transferred and sold for pesos in the FX Market as of October 2, 2020 and that the repatriation occurs at least 2 years afterwards.

Registration Requirements

All inflows and outflows of foreign currency must be channeled and duly registered by financial entities through the Régimen Informativo de Operaciones Cambiarias (RIOC) established by the BCRA.

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Subsidiary Funding – Tax Consideration
Tax Summary – Argentina

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	35% WHT general rate • Under certain tax treaties rate is typically 10-20%	15.05% WHT if lender is a "Basel bank" 35% WHT for tax-haven lender	No WHT	N/A	N/A
Deductibility of interests	Fully deductible if W/H tax is 35% Interest is deductible, unless D/E > 2x if W/H tax < 35%	Interest is deductible, unless D/E > 2x	Fully deductible	N/A	N/A
Deductibility of FX losses	Fully deductible			"Hedging derivative" – Yes "Speculative derivatives" – Only against gains from other speculative derivatives	N/A
Other taxes, duties	21% VAT (as applicable) 0.60% charge on any debit or credit to ARS account	21% VAT (if local activity is subject to VAT); 10.50% VAT if lender is a "Basel bank" 0.60% charge on any debit or credit to ARS account (initial disbursement exempted if lender is a Basel Bank)	10.5% VAT (if local activity is subject to VAT), 21% all other 0.60% charge on any debit or credit to ARS account (initial credit of ARS into banking account is exempted) City of BA Stamp Tax: 1.2% per year capped at 1.0% on the value of the contract	City of BA Stamp Tax: • 1% on the value of the contract • Exemption if there is no confirmation signed by both parties. In that case, customer sends "written offer" to Bank and Bank accepts by charging an "acceptance fee"	Net worth tax applies at the rate of 0.5% on the book value If dividends are paid on an accounting income higher than the taxable income, the difference is taxed at 35% 0.60% charge on any debit or credit to ARS account
Comments	N/A	N/A	LLL 1: combination of one time (1.x) of the company's Net Worth (NW) of the latest financial statements available plus the lesser of two times (2.x) the company's NW 2.5% of local Citi Net Worth LLL 2: 15% of local Citi Net Worth	Argentine residents can access the FX market to pay premiums, post guarantees and cancel transactions related to derivatives entered into with foreign counterparties governed by foreign law	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

BAHAMAS (BSD – Bahamian Dollar)

Citi in Bahamas

Citi® established operations in The Bahamas in 1960 and for 60 years has provided Corporate and Investment Banking services in the country. Citi was the first bank to take the Government of The Bahamas to the international capital markets.

Market Overview

The local FX market is regulated by the Central Bank (CB) of The Bahamas who applies Exchange Control rules to ensure the disciplined use of the country's foreign currency reserves and to assist in its Balance of Payments. CB Approval is required to purchase hard currency and sell BSD. Tourism provides most of the foreign exchange needed to fund the import requirements of the economy as the absence of a strong agricultural and industrial base results in a high reliance on imports for consumption and capital development. CB has been maintaining a fixed rate parity of the Bahamian Dollar with the United States Dollar in 1:1 since 1970. The Benchmark/Board trading rates are set to 0.9950 for clients to sell USD and 1.0125 for clients to buy USD.

The spot market is driven entirely by trade flows averaging $24.3mm on a daily basis. A forward market also exists but flows are more episodic and not captured in the Central Bank data. Hard currency demand varies throughout the year and demand increases in the last few months of the year. This is typically the result of a ramp up in imports to prepare inventories for the holiday season. However, liquidity is ample and the Central Bank has been acting as the seller of last resort if there is a shortage of liquidity in the market.

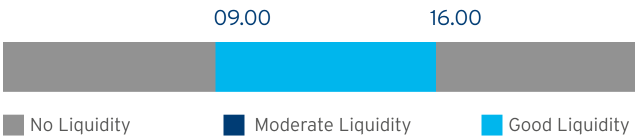
Rates activity is limited. There is no observable daily trading activity.

Convertibility
The Bahamian Dollar (BSD) is not fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	10 – 30	Episodic	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 0 to T+2	30 days	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.3	1 to 5	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities (onshore)	✗	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No Fixing.

Bloomberg Ticker: {BSD Curncy}

Regulation

Offshore restrictions

The remittance of funds or payments and the repatriation of profits, dividends, interest payments, capital or any other service payment abroad are subject to approval of the Central Bank.

Non-resident restrictions

Non-residents are not permitted to hold local currency without prior approval from the Central Bank.

License requirements

Only Authorized dealers are permitted to trade FX with the public.

Requirements to open a foreign currency account

Resident individuals and companies require exchange control approval from the Central Bank to open and maintain BSD currency accounts.

Deal Management

Rollover: Rollovers are possible.
Unwinding: NA.
Early Maturity: NA.

Documentation Requirements

Product specific

Written Exchange Control Approval is required to sell BSD and buy hard currencies. Under specific circumstances, authorized dealers have been granted Delegated Authority to execute BSD sales against hard currencies without prior Central Bank Approval.

Trade flows

There are no restrictions to trading in FX Spot or Forward Markets. All banks are required to report FX transactions to the Central Bank.

Capital flows/FDI

There are no foreign exchange restrictions on capital flows coming into The Bahamas. Exchange Control Approval is required for the sale of BSD against hard currencies.

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Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

BRAZIL (BRL – Brazilian Real)

Citi in Brazil

Citi opened in Brazil in 1915. Citi operates as a full investment bank in Brazil (banco múltiplo).

Market Overview

The Central Bank of Brazil, known as "Bacen", regulates all currency flows in and out of the country. According to local regulation, the Brazilian Foreign Exchange regime does not permit free convertibility of the currency. Therefore, in Brazil, FX transactions must be executed with an institution authorized by Bacen to carry out such transactions, which shall be responsible for ensuring compliance with the local foreign exchange regulation. Also, every FX transaction must be formalized through an FX contract and registered into Bacen's system.

The Central Bank manages the local currency under a free-float regime; however, it intervenes through the spot, swaps and/or futures markets when it deems necessary.

The currency is the BRL (Brazilian Real or simply Real) and the quoting convention is BRL per US dollar (1 pip = 0.0001 BRL). The benchmark rate, known in the market as the PTAX, is the arithmetic average of four intra-day quotes made by the Central Bank with dealer institutions every business day.

Most of the FX volume is generated in the spot or futures market. 1m tenor for futures is most liquid. Options are traded both onshore and offshore, with liquidity concentrated under the 1y tenor. In terms of currency pairs, most volume is dominated by USD/BRL, which accounts for about 90% of the total flow.

Convertibility

BRL is a restricted currency with convertibility regulated by the Central Bank.

With very few exceptions for companies in specific industries, only BRL accounts are allowed in Brazil but Brazilian companies are allowed to have offshore accounts.

Foreign Exchange Policy

CMN Resolutions:

- Resolution 3,568, of May 29, 2008: Makes provisions on the foreign exchange market, and makes other provisions.
- Resolution 3,312, of August 31, 2005: Makes provisions on hedge operations made with financial institutions abroad or at foreign stock exchanges. Allows international hedging with financial institutions abroad, limited to currency pairs other than BRL, rates and commodities.
- Resolution 3,844, of March 23, 2010: Makes provisions on foreign capital in Brazil and its registration with Banco Central do Brasil, and makes other provisions.
- Resolution 4,373, of September 29, 2014: Makes provisions on non-resident investments in financial and capital markets in Brazil and related issues.

BCB Circulars:

- Circular 3,691, of December 16, 2013 regulates the Resolution 3,568, dated May 29, 2008, that makes provisions on the foreign exchange market and makes other provisions.
- Circular 3,689, of December 16, 2013 regulates, in the scope of the Central Bank, the provisions on foreign capital in Brazil and on Brazilian capital abroad.
- Circular 3,690, of December 16, 2013 Makes provisions on the classification of transactions in the foreign exchange market.

FX: Full deliverable Spot and Forwards

Although most of the FX deals are settled in up to 2 business days (spot – câmbio pronto), full-deliverable forward FX transactions are also permitted, up to a maximum tenor of 360 days (full-deliverable-forward – câmbio futuro, also known as "trava cambial").

Support documentation as proof of the lawfulness and the economic groundings of the underlying transactions is mandatory for all FX spot and full-deliverable-forward deals, except those up to US$3,000 or equivalent in other currencies. Also, for volumes greater than USD 10,000 a signed FX contract is required after the transaction is closed.

As a first step on any FX transaction involving foreign investment or lending to Brazilian entities or individuals, both parties of the FX transaction must be registered at CADEMP (Central Bank's file for local and foreign entities).

With the above identification, the investment or lending transaction must be registered at the RDE ("Registro Declaratório Electrônico" – Electronic Declaratory Registry). Such registration is essential for further remittance of dividends, capital repatriation or reinvestment of profits and must be made before the investment's inflow of funds. Foreign Direct Investment can be made through the purchase of participation from a third party or by capital injection.

Basic documentation of all FX transactions is composed of:

- Documents related to the underlying transaction;
- Tax collection receipts, when applicable; and
- FX contract signed by legal representatives from the client, the bank and the broker (when applicable).

Contracts are divided in 2 different types. Both have a set of nature-codes ("naturezas") that classify the nature of the activity underlying the FX:

- Contract of Purchase – Bank buys foreign currency from the company and delivers the equivalent amount in Brazilian Reais (inflow of funds).
- Contract of Sale – Bank sells foreign currency to the company upon receiving the equivalent amount in Brazilian Reais (remittance of funds).

Tax on Financial Transactions for FX: IOF Tax

- FX transactions, as a rule, are subject to the FX IOF tax at the time of settlement. Maximum rate of IOF is 25% and may be reduced or restored by a Decree.
- Currently, foreign exchange transactions are taxed, in most cases, at the rate of 0.38%.

Tax is applied to the notional currency amount in the FX transaction. There are, however, some varying rates of IOF, depending on the type of underlying FX exposure, specifically:

Transaction	FX Spot
Foreign Currency loans with average maturity of less than 180	6%
Import of services	0.38%
Exports of goods and services	0%
Foreign Direct Investment pursuant to Law 4131 (inflows and outflows)	0.38%

Tax: Other Taxes

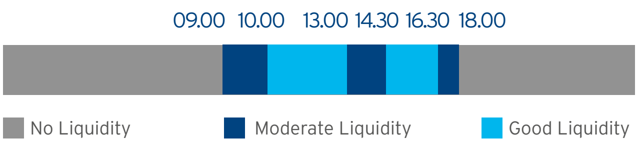
All gains paid, credited, delivered, employed or submitted by a local party to another domiciled abroad are subject to withholding tax. The table below shows examples of taxation for the main foreign exchange transactions:

	Taxes	Rate
Interest on Foreign Loans and Financing	IRRF (If related to exports)	0%
	IRRF (General Rule)	15%
	IRRF (Beneficiary resides in a Tax Haven jurisdiction)	25%
Payment of royalties and technical/administrative services	IRFF (Beneficiary is not a Tax Haven resident)	15%
	IRFF (beneficiary resides in a tax Haven jurisdiction)	25%
Payment of services in general	IRRF (There is no distinction between residents of Tax Havens or not)	25%

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✓	✓
Offshore	✗	✗	✓	✓	✓	✗	✓
Onshore volume (MM USD daily)	1,500 – 3,000	N/A	13,000 – 15,000 including BMF first Future	1,000 – 1,500	36,000 – 38,000	40 – 50	6,000 – 7,000 including BMF(DDI+FRA)
Offshore volume (MM USD daily)	N/A	N/A	5,000 – 6,000	800 – 1,000	7,000 – 10,000	N/A	2500 – 3000
Onshore max tenor (or typical tenor for spot)	T + 2 (spot)	360 days	10 years	OTC goes up to 10 years, but interbank options are mostly up to 1 year	10 years	2 years	15 years
Offshore max tenor (or typical tenor for spot)	N/A	N/A	10 years	Liquidity is best under 2 years but it might go up to 10 years	10 years	N/A	15 years
Onshore typical deal size (MM USD)	3 – 5	N/A	3 – 5	10 – 20	10 – 20	3 – 5	2 – 30
Offshore typical deal size (MM USD)	N/A	N/A	3 – 5	20 – 30	10 – 20	N/A	20 – 30
CitiFX Pulse Capabilities (onshore)	✓	✗	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

Requests are electronically made at any time in a 10-minute window, four times a day: 10am, 11am, 12pm and 1pm. The PTAX is calculated excluding the two highest and the two lowest quotes. Results are published as bid and offer rates at around 1.15pm (there is no formal time frame for the PTAX publication, but the Central Bank is committed to releasing the rate "immediately" after the last quote is processed).

Onshore BRL settled NDFs are usually fixed one day prior to settlement based on the PTAX offer rate. Offshore NDFs are PTAX fixed (offer rate) two days prior to settlement.

Bloomberg Ticker: ‹BZLABZLA Index›

Offshore foreign currency account

According to the Resolution CMN 3,568, of May 29, 2008, Brazilian exporters may maintain 100% of the export payments abroad.

Brazilian companies with offshore accounts must provide the following reports to regulators:

- **Derex:** Provided once a year to the Tax Authority, it describes the total exports received in the offshore account and what type of payments were done with these receivables (monthly). Applicable to exporters, only.
- **DCBE – Declaração de Capitais brasileiros no Exterior:** As a general rule, must be provided once a year for the Brazilian Central Bank. It must be reported if total assets held offshore is equal to or higher than USD 1 million at the year-end (Dec 31). Only the amount at that day. Clients with assets equal or above USD 100 million, must provide quarterly reports. For further information: https://www.bcb.gov.br/estabilidadefinanceira/cbe.

Companies in specific industries – insurance, reinsurance, energy, tourism, etc. – can operate local foreign currency accounts (CCME – *Conta em Moeda Estrangeira no País*) under specific regulations of the Central bank. To this date, Citi only offer CCMEs to insurance and reinsurance companies.

Non-Resident Accounts

According to the Resolution CMN 4,373, of September 29, 2014, foreign investors can access the onshore derivative market through an investment account in the local stock exchange, fixed income and local futures exchange.

Foreign investors must have Brazilian custodians, legal representatives and tax representatives.

Investors established in tax haven jurisdictions are taxed as local investors. If established in a non-tax haven jurisdiction, investors are taxed as follows:

- Swap and future (OTC): 10%.
- Exchange-traded derivatives: Exempt.

Rates: Markets Overview

- The local BRL interest rate which indexes the government floating debt is the "SELIC" rate.
- The interest rates settled in the transactions performed through the SELIC – mainly repurchases agreements (repos) – are influenced by the BCB's management of the interbank liquidity via open market operations (OMO).
- The SELIC transactions' weighted average interest rate is called the 'over SELIC' interest rate, which stands as a representative of the cost of interbanking funding and, ultimately, the benchmark for the prevailing interest rates in the Brazilian economy.
- Accordingly, the BCB's OMO are executed for monetary policy purposes, in order to keep the 'over SELIC' close to the target (which is greatly driven by inflation controls) for the SELIC interest rate defined, every 45 days, by the BCB's Monetary Policy Committee (*"Comitê de Política Monetária" – Copom*).
- The market benchmark rate is the interbank overnight interest rate, the "CDI" (*"Certificado de Depósito Interbancário"*) which keeps a very close relation to the SELIC (currently there is no premium between them). CDI is published daily by B3, the central securities depository.

The local BRL interest rates are calculated on exponential business days basis:

Tenor (Business Days)	BRL Rate (exp/252)	Interest Rate Factor	Tenor (Counting Days)	BRL Rate (exp/360)	Interest Rate Factor
122	2,11%	1,01016	181	2,03%	1,01016
247	2,85%	1,028	360	2,80%	1,028

- The fact that the BRL is not a free convertible currency and local transactions are indexed and not denominated in USD, there is a local USD interest rate curve (the "cupom curve").
- The local USD interest rate curve follows local and international drivers such as:
  - The movements of the international USD curves.
  - The government issuance of USD indexed bonds and derivatives.
  - Corporates' demand for hedging.
  - Brazilian country risk perception.

Non-Deliverables (Derivatives): NDFs, FX Options, Interest Rate Swaps, Interest Rate Options and XCCY Swaps

- Transactions are executed under a local bilateral Master Agreement (local ISDA equivalent).
- All transactions must be registered at B3 or any other clearing house duly approved by BCB/CVM.
- On-shore derivatives must be considered as a hedging transaction to be tax deductible.
- Losses in offshore OTC derivatives entered by Brazilian companies with offshore counterparties are not deductible (only derivatives traded directly through an offshore exchange are deductible).
- NDF, forwards and options are subject to 0.005% withholding tax, deductible from the 15% income tax to be paid by the company directly.
- Swaps and other fixed-income-like instruments follow a regressive WHT schedule:

Maturity	WHT
Up to 180 days	22.5%
From 181 to 360 days	20.0%
From 361 to 720 days	17.5%
Above 720 days	15.0%

Deal Management

- Rollover: Possible through NDFs, Options or swaps. All of them are net settled.
- Unwinding: Possible through NDFs, Options or swaps. All of them are net settled.
- Early Maturity: Possible through NDFs, Options or swaps. All of them are net settled.

On-shore x Off-shore Markets

- Both markets are connected but have different terms, pricing, liquidity and documentation settlement.
- Off-shore NDFs are net settled in USD, fixing rate is EMTA (Emerging Markets Traders Association).
- On-shore NDFs are net settled in BRL, fixing rate is the PTAX.
- Spot liquidity is concentrated in the on-shore market; local market also allows for longer tenors (> 5 years).

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Subsidiary Funding – Tax Consideration
Tax Summary – Brazil

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	25% WHT for tax haven domiciled lender 12.5% WHT for Japan domiciled lender 15% WHT other jurisdictions Under certain other tax treaties rate is reduced Pre-export financing exempt	25% WHT for tax haven domiciled lender 12.5% WHT for Japan domiciled lender 15% WHT other jurisdictions Pre-export financing exempt	No WHT	Onshore: • Swaps: 15%-22.5% w/h tax, depending on the term of the investment • NDFs/Futures & Options: 0.005% over premiums/adjustments in anticipation of final 15% Offshore: No WHT, but only HCY/rates/ commodities hedging derivatives permitted – BRL hedges not allowed (Res.3312)	25% WHT on capital gains for tax haven domiciled investor 15% other jurisdictions on capital gains Dividends exempt
Deductibility of interests	Non-tax haven lender: Yes, up to 2x capital Tax haven lender: Yes, up to 30% of capital Must observe new transfer price rules for maximum deductibility locally	Non-tax haven lender: Yes, unless guaranteed by related company, then limited to 2x capital or 30% of capital if guarantor domiciled in tax haven Tax haven lender: Yes, up to 30% of capital	Fully deductible	N/A	Dividends are not deductible for the local income tax purposes, except for INE (interest on net equity).The amount of INE capped at 50% of current net-profits and subject to Brazil general WHT rates
Deductibility of FX losses	Fully deductible			Onshore: Losses deductible only for hedging transactions Offshore: Losses are not deductible, unless trade done on an exchange	N/A
Other taxes, duties	If tenor < 180 days, 6% flat IOF tax applied on the FX transaction If tenor > 180 days, no IOF		IOF = Min (1.5% p.a., 1.5% "flat") + 0.38% "flat" up-front. Export financing exempt	For foreign investors trading derivatives under Resolution 4373: 10% WHT on derivatives PIS/Cofins on Financial gains: 0% if derivative traded for hedging purpose; 4.65% otherwise.	Due process and limitations on amount and timing of dividends and capital repatriations 0.38% FX-IOF tax on inflows (injection) and outflows (capital reduction)
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

CHILE (CLP – Chilean Peso)

Citi in Chile

Citi has been present in Chile since 1916, when it opened as The National City Bank of New York in Valparaiso. Since its opening, the franchise has been an active participant in Chile's economic development and has funded countless private and public projects.

Since the merger of Citibank and Banco de Chile in 2008, Banco de Chile is a non-controlled subsidiary of Citibank N.A a national banking association organized under the laws of the U.S. Under Chilean regulation, the banking license is granted only to Banco de Chile as stand-alone legal entity. Banco de Chile's main regulator is the Financial Market Commission (CMF).

Banco de Chile is one of the most important players in the Chilean FX market, conducting transactions with the main Institutional clients (local Pension Funds, Insurance Companies, etc.), offshore players and large corporate clients as well as medium size companies and retail clients.

FX Market Overview

The Chilean Central Bank (BCCH) manages the peso under a free floating regime. The BCCH has been granted regulatory power to intervene in the exchange market to address excess volatility and extreme price distortionas. However, in recent years, it has rmained relatively inactive.

Main regulations on foreign exchange transactions and foreign investment are contained in the Compendium of Foreign Exchange Regulations, which regulates foreign investor activity in the market. The regulation encompasses obligations to report certain transactions and currency in-and outflows.

The BCCH is also allowed to participate in the Formal Exchange Market as a direct player. Foreign exchange regulations and Exempt Resolution 150/2020 of the Chilean Tax Authority require investors to execute their transactions in the Formal Exchange Market. Foreign exchange transactions must be informed to the BCCH by the entity executing them.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✗	✓
Offshore	✗	✗	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	2000 – 3000	600 – 1000	2000 – 3000	5	100 – 150	N/A	10 – 20
Offshore volume (MM USD daily)	N/A	N/A	400 – 600	15	1000 – 1200	N/A	50 – 60
Onshore max tenor (or typical tenor for spot)	T + 0/T+1/T+2	2 years	2 years	2 years	20 years	N/A	30 years
Offshore max tenor (or typical tenor for spot)	N/A	N/A	2 years	2 years (bespoke tenors can be tailored)	N/A	N/A	30 years
Onshore typical deal size (MM USD)	3 – 5	3 – 5	3 – 5	2	15	N/A	20
Offshore typical deal size (MM USD)	N/A	N/A	3 – 5	12	50	N/A	50
CitiFX Pulse Capabilities (onshore)	✗	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✓	✗	✗	✗	✗

Source: Citi indicative information

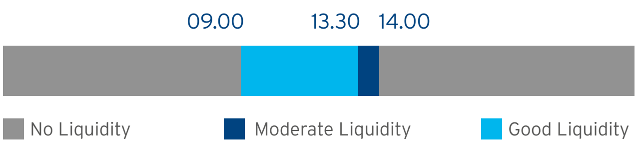
Settlement may occur until there is availability of payment means in both the local and the foreign currency, usually at 16.00 local time for USDCLP transactions. Overdrafts are allowed only if the company has a credit line in place. Deliverable foreign exchange forwards are settled as spot trades upon maturity (T+0 – 24 or 49hrs both ccys).

The BCCH maintains statistics of the inflow and outflows of currency and requires FX agents to report FX transactions.

Convertibility

Yes (as of March 2021).

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The "Dolar Observado", or just Observado, is the Chilean exchange fixing rate against the USD. It is the weighted average rate of the spot transactions traded on the formal exchange market between 9.00am and 1.30pm of the previous business day. The Observado is published daily by the BCCH around 18.30 of the previous day.

Observado Bloomberg Ticker: {CLFXDOOB Index}

Regulation

Offshore restrictions

Onshore and offshore markets are separated markets.

We can manage the fixing execution of an offshore transaction in the onshore market as a way to replicate a delivery of an NDF transaction offshore. There are no constraints otherwise for an offshore counterparty to trade with local banks. Offshore counterparties can access the local spot market through Exempt Resolution 150.

Non-resident restrictions

Non-residents can operate in Chile through the Spot market under the regime of Exempt Resolution 36 (local tax authority) which implies having a local tax agent. There are no restrictions to operate through NDFs.

On December 24th, 2020, the BCCH modified the compendium of Foreign exchange regulations, allowing the following cross border operations in CLP:

As of March 1st, 2021:

- Derivatives products with physical delivery in CLP.
- Current accounts in CLP for Non-Domiciled and Non Resident investors.
- Credits from persons domiciled or resident in Chile to persons domiciled abroad in CLP.

As of Sep 1st, 2021:

- Persons domiciled in or residing in Chile depositing or investing abroad.
- Persons not domiciled or resident in Chile granting credits, deposits, investments and capital contributions in Chile.

License requirements
No licenses are required.

Requirements to open a foreign currency account
Every person in Chile has the right to freely engage in foreign exchange transactions with no restrictions from the local government. It is possible to open a local USD account in Chile.

Deal Management

Rollover: Rollover at market prices.

Unwinding: No restrictions to unwind derivatives. Full liquidity to do unwinding under the combination currencies and tenors detailed above.

Early Maturity: Parties can agree early termination clause at inception under Condiciones Generales contractos de Derivados en el Mercado Local (local ISDA) or ISDA (in case a counterparty is an offshore entity).

Documentation Requirements

Product specific
The BCCH requires all transactions to be reported by the dealer institutions for statistical and tax purposes.

For NDF transactions there are no restrictions. In the case of spot transactions, a more regulated process monitors non-resident counterparties entering the local market.

For trading derivatives locally, Condiciones Generales Contratos de Derivados en el Mercao local is required in a standard format required by all banks and recognized by BCCH for trading derivatives offshore, the client would require an ISDA.

Foreign exchange inflows and repatriations performed by investors under Exempt Resolution 150 regime must be executed with participants of the formal foreign exchange market.

As per Central Bank regulation, as of March 1st 2021, foreign entities can open CLP current accounts in Chile.

Trade flows
Trade flows are not subject to any restrictions. The only obligation is to inform the Central Bank the code of each transaction for statistical purposes (the information to the BCCH is provided by the banks).

Capital flows/FDI
Portfolio investors can repatriate funds with no restriction, FDI falls under Chapter 14 which is part of the Compendium of Foreign Exchange Regulations from the BCCH. The types of investments regulated through this chapter are: injection of capital, investments, deposits and offshore loans.

Additional Comments

There are no regulatory restrictions to hedging forecasted transactions. If forecasts change, companies will have the typical flexibility associated with derivatives (unwinding, restructuring, etc.) Hedge accounting is attainable as per IFRS guidelines.

Chile's Rates Market Overview

The local CLP interest rate which indexes government floating debt is the "CAMARA" rate. CAMARA is an overnight floating rate which is mainly used in the interbank market. For longer tenors, the Camara rate (TCN or TNA) is calculated through the difference of the "Indice Camara Promedio" (ICP) as follows:

$$TCN = \left(\frac{TCN_{t1}}{TCN_{t0}} - 1\right) * \frac{36}{N^o Dias_{(t1-t0)}}$$

The derivatives Market trades IRS CLP fixed vs Camara and CCS UF fixed vs Camara. Day count convention in both cases is ACT/360 and bullet semi annual.

Although this rate has been commonly associated with the interbank market, we have recently seen many corporates trading products with Camara, funding and swaps.

There is good liquidity up to 10 years on swaps. It is, however, possible to structure transactions with longer tenors with liquidity premium considerations. There are no interest rate options.

In terms of inflation, the Central Bank of Chile set a target range of annual inflation of 2%-4%, which has been fulfilled in most of the past 15years. The monthly CPI is applied over the Unidad de Fomento (UF), which is an index used in several financial instruments such as mortgage loans, insurances, etc.

Regarding the derivative inflation market, the first two years of the curve are traded with UF forwards and anything 2 years onward is commonly traded with swaps. In terms of liquidity, we do not see issues to trade up to 15 years.

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Subsidiary Funding – Tax Consideration
Tax Summary – Chile

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	35% WHT unless FI 4% WHT if FI and D/E < 3	4% WHT 35% WHT if D/E > 3 (non applicable for banks/FI as borrowers)	No WHT	Onshore: No WHT Offshore: Compensation: none Others: premium, fees = 35%	35% WHT on dividends 35% WHT on capital gain No WHT on sale of listed shares
Deductibility of interests	Interest is deductible, unless D/E > 3x (**)		Fully deductible	Fully deductible	N/A
Deductibility of FX losses	Fully deductible		Fully deductible	Fully deductible	N/A
Other taxes, duties	Stamp Tax 0.066% per month, cap 0.80% flat Demand Loan Duty of 0.332% if no defined maturity date			N/A	N/A
Comments	N/A	Collateralized loans are subject to the thin cap rule (D/E > 3)	N/A	N/A	N/A

*(**) D/E > 3 with following rules:*

(1) The 3:1 debt-to-equity limit would be tested on the aggregate of related-party and third-party debt

(2) The 3:1 debt-to-equity limit would be tested annually, (every year during the loan)

(3) The 35% surtax is levied, in addition to interest, on all charges and fees linked to excessive-indebtedness

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

COLOMBIA (COP – Colombian Peso)

Citi in Colombia

Established in 1916, Citi Colombia serves most multinational and top domestic companies. With its financial strength and unique transactional platforms, Citi offers foreign trade, FX trading, cash management and offshore investment products. Main FX clients are corporates. On the investor side, asset managers stick to using Forwards and trade the SETFX or TRM. The regulatory requirement on asset managers to send daily MTM restricts them to Forwards. Holding companies and banks execute some options.

FX Market Overview

The Colombian constitution grants the Central Bank administrative and financial autonomy and law 31 from 1992 attributes to the Central Bank the responsibility of formulating monetary and foreign exchange policies and regulations. The Banco de la República (BanRep) manages the Colombian Peso under a free float regime and does not allow free convertibility of the currency. The BanRep actively participates in the local FX market to ensure adequate levels of international reserves accumulation, to regulate credit conditions and to reduce market volatility and excessive appreciation/depreciation. Historically, most of the FX transactions were done by oil corporations but recently their activity has reduced.

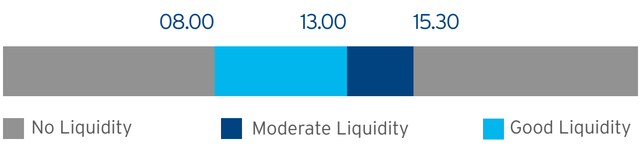
Convertibility

The peso is not convertible. Foreigners can participate through the NDF market.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✗	✓
Offshore	✗	✗	✓	✓	✓	✓	✓
Onshore volume (MM USD daily)	900 – 1100	Included in NDFs	1100 – 1400	Included in offshore	10 – 20	N/A	35 – 45
Offshore volume (MM USD daily)	N/A	N/A	250 – 350	40 – 60	170 – 180	Low Liquidity	220 – 225
Onshore max tenor (or typical tenor for spot)	T + 0	2 years	2 years	5 – 7 years but liquidity dries up above 2 years	10 years. Liquidity concentrated under 5 years mark	N/A	15 years. Liquidity concentrated under 10 years mark
Offshore max tenor (or typical tenor for spot)	N/A	N/A	2 years	5 – 7 years but liquidity dries up above 2 years	12 years. Liquidity concentrated under 5 years mark	Up to 5y – low liquidity in all tenors	20 years. Liquidity concentrated under 10 years mark
Onshore typical deal size (MM USD)	3 – 5	3 – 5	3 – 5	Included in offshore	10 – 20	NA	10 – 20
Offshore typical deal size (MM USD)	N/A	N/A	3 – 5	20 – 30	30 – 50	10 – 20	30 – 50
CitiFX Pulse Capabilities (onshore)	✓	✓	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✓	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The TRM (Tasa Representativa del Mercado) and the SETFX average are the two main benchmark rates used in the market:

- **TRM:** It is the daily weighted average of every reported USDCOP transaction traded during the previous business day, published by Superintendence of Finance at the end of the day (5pm). All transactions are reported by FX dealers to the central bank when the market closes.

  Bloomberg Ticker: <COP TRM Curncy>

- **SETFX Average:** It is the daily weighted average of every transaction closed during market hours through the electronic interbank system (SETFX). The SETFX average is published at 1pm and is called Precio Fix Set-FX.

  Bloomberg Ticker: <CFXAVRG Index>

Regulation

Offshore restrictions

Clients looking to hedge an FX position offshore can only hedge through NDF or FXO. Spot is only traded onshore and the currency is only deliverable onshore. From a requirement standpoint, clients trading onshore have to provide the "Declaración de Cambio" (contains information required by the Central Bank, Banco de la Republica, for all FX transactions) to Citibank Colombia before the value date of the trade.

Some market participants, like Citi, decided to voluntarily comply with the Self-regulatory Authority, Autorregulador del Mercado de Valores (AMV), rules, which follow the FX Global Code´s principles and establish the mandatory licensing of market traders and dealers. In addition, there are local regulations that demand the registration of the executed deals, in order to promote price transparency.

Non-resident restrictions

The "Declaración de Cambio" covers the purpose of FX transaction.

License requirements

There's no specific requirements other than the "Declaración de Cambio" from the Central Bank.

Requirements to open a foreign currency account

A currency account offshore cannot be credited with local currency. The Colombian market has restrictions on cash accounts held by foreign investors. Cash accounts for FPIs in Colombia must be linked to securities accounts and may only be held in Colombian Pesos (COP). These accounts are created for the purpose of settling securities and FX transactions in the market.

Deal Management

Rollover: Rollback and rolling forward is permitted for NDFs.

Unwinding: Unwinding is permitted. Transactions are net settled.

Early Maturity: It is possible to terminate a trade early. Transactions are net settled.

Documentation Requirements

Product specific

Spot transactions can only be traded onshore by financial institutions authorized by the Central Bank. FX Spot trades can be settled between T+0 and T+3, however the local standard is same-day settlement s (T+0). A foreign exchange form ("Declaración de Cambio") must be filed with the Central Bank for every FX transaction. Citi clients can submit the form electronically through the "Post-Trade" platform. For benchmark spot orders, clients may request price indications using TRM as the transaction rate. For TRM spot orders, Citi requires the request to be received at least one day prior to the TRM formation date. Depending on the transaction size, orders might need to be placed more days in advance. Because the benchmark rate is published by the central bank by the end of the day, benchmark spot orders are settled in T+1 as opposed to the market standard of T+0.

Deliverable forwards are only traded onshore by local entities and are settled on the expiry date. NDFs are available both onshore and offshore and are settled on the next business after the expiration date. Onshore NDFs are COP settled while offshore NDFs are settled in convertible currencies and both are usually fixed based on the TRM. Onshore swaps are settled in COP and can be linked to inflation (UVR), floating (IBR) or fixed interest rates. Offshore swaps are usually settled in USD and are traded OTC under ISDA definitions. Local derivatives would be subject to terms of the Contrato Marco (local ISDA).

Trade flows

So long as FX trades are reported through the Declaración de Cambio, there are no specific restrictions on trade flows.

Capital flows/FDI

All foreign exchange transactions done by a Foreign Portfolio Investor (FPI) must be for the exclusive purpose of investing in securities and must be registered with the Central Bank, by the FPI's local administrator. Currency speculation by foreign investors is not allowed. All foreign exchange transactions performed by a FPI regarding capital investment, net profits, sale proceeds and dividends must be registered with the Central Bank separately on a trade-by-trade basis.

Rates: Markets Overview

- The Colombian monetary policy rate is known as the Intervention Rate, which is defined by the Board of Directors of the Banco de la Republica (BANREP) in each of its eight annual meetings.
- The Intervention Rate is defined as the minimum interest rate that BANREP charges financial entities through Open Market Operations (OMAs).
- OMAs constitute the main monetary policy intervention mechanism used by BANREP to affect the amount of money circulating in the economy.
- The execution of OMAs is carried out under expansion or contraction Repo auctions using the Intervention Rate as reference.
- These auctions allow the Indicador Bancario de Reperencia (IBR) to be close to the Intervention Rate.
- The IBR is the short-term benchmark interest rate denominated in COP that reflects the price at which Banks are willing to offer or raise resources in the money market.
- IBR is derived from the mid-rate provided in daily auctions by the eight selected participants. It is published in a daily basis by BANREP for one day, one month, three months, and six months tenors.
- Regarding the term structure of interest rates: the Colombian economy manages two main yield curves of sovereign debt denominated in COP and Real Value Unties (UVR).
- UVR is a unit tied to inflation certified by the central bank. It reflects the purchasing power of money based on CPI variations. This enables the UVR indexed bonds or titles to preserve their value, protecting the investor from inflation.

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Subsidiary Funding – Tax Consideration
Tax Summary – Colombia

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT if tenor < 360 days 15% WHT if tenor > 360 days Export financing exempt Import financing: • 0% if <180 days; • 20% if between 180 and 360 days; • 15% if > 360 days	20% WHT if tenor < 360 days 15% WHT if tenor > 360 days Export financing exempt Import financing: • 0% if <180 days; • 20% if between 180 and 360 days; • 15% if > 360 days	No WHT	Onshore: 2.5% WHT Offshore: No WHT	7.5% WHT on dividends
Deductibility of interests	Interest is deductible, unless D/E > 2x Transfer Pricing rules apply (i.e. arms length rule)	Interest is deductible. Thin cap does not apply, including loans with related party guarantee Banking certification required	Fully deductible Banking certification required	Onshore: Fully deductible Offshore: Limited to 15% of net income before tax Transaction needs to be directly related to "income producing activity"	N/A
Deductibility of FX losses	Fully deductible if loan is directly related to "income producing activity			See above	N/A
Other taxes, duties	0.4% debit tax, unless the funds payable to a bank via USD offshore account (cuenta de compensación)		0.4% debit tax	0.4% debit tax	0.4% tax if funds transferred from brokerage account to 3rd party
Comments	N/A	N/A	N/A	OTC derivatives may only be closed with banks	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

COSTA RICA (CRC – Costa Rican Colon)

Citi in Costa Rica

Citi Costa Rica was established in 1968, and is recognized as a market leader in FX products for its corporate and institutional clients. As such, Citi has won important FX awards from key financial publications such as Best Foreign Exchange Bank and Best Corporate/Institutional Internet Bank. With its focused role as a corporate/institutional bank, Citi has the knowledge of the local market and the global presence to serve the largest and most important local and global companies based in Costa Rica. Citi is a key partner for the foreign exchange and payments process of the most important multinationals and multilatinas in the country.

Market Overview

The Costa Rican Central Bank, or BCCR (by its acronym in Spanish), has managed the CRC (Costa Rican colon) under a free float regime since 2015, when it abandoned its FX band regime. The main objective of its monetary policy is inflation control. The BCCR is an active participant on the professional exchange market (MONEX), where local dollars are backed up by its reserves. BCCR's participation aims to ensure adequate levels of international reserves accumulation and reducing foreign exchange price volatility.

The U.S. Dollar trades freely in the country and the BCCR, Local Exchange and depository maintain both colones and dollar accounting. The only limitation placed on the conversion of colones into foreign currency is that the FX must be transacted through an authorized agent such as a bank, hotel or licensed financial institution. The NDF market in Costa Rica has very limited liquidity and up until now, only trades OTC. Currently, there is no interdealer market and as such, any trade is usually analyzed and closed on a case-by-case basis, taking into consideration the limited market capacity. For its customers, Citi is available to make a market depending on our capacity.

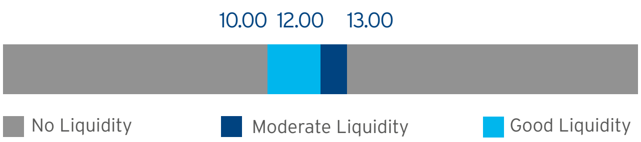
In Costa Rica, the trading rates market is mostly in the cash market. Bonds issued by the Government of the Republic are mostly bought by the market participants as a buy and hold strategy. There is no swap curve as market has not developed yet a floating benchmark. Banks rely on the repo and reverse repo market to address short liquidity needs, as secondary market for government securities is not deep enough. Citi makes market in short and long term rates as needed by corporate flows. In addition, during late 2020, the BCCR proposed a new regulation to start offering onshore NDFs. At Citi, we are currently working to launch this product during the first half of 2021.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✗	✗ **	✗	✗	✗	✗
Offshore	✓	✗	✓	✗	✓	✓	✓
Onshore volume (MM USD daily)	130 – 140	N/A	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	15 – 25	N/A	Episodic	N/A	Episodic	Episodic	Episodic
Onshore max tenor (or typical tenor for spot)	T + 0	N/A	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	N/A	Typically 1 year, goes up to 5 on case-by-case basis	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.5 – 1	N/A	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	0.1 – 0.5	N/A	3 – 5	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities (onshore)	✓	✓	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✓	✗	✗	✗	✗

*LHS – refers to company selling base currency. RHS – refers to company buying base currency. **Expected Onshore NDFs: first semester 2021.
Source: Citi indicative information

Convertibility
Costa Rica has not yet developed a floating benchmark. Banks rely on the repo and reverse repo market to address short term liquidity needs, as the secondary market for government securities is not deep enough. Citi makes markets in short and long term rates as needed by corporate flows. Citi makes market in short and long term rates as needed by corporate flows

Market opening hours and liquidity during the day



Fixing (incl. ticker)
Tipo de Cambio Ponderado MONEX: it is the weighted average of all transactions dealt in the interbank market (MONEX), published at the end of the day (used for derivatives' fixing).

Regulation

Offshore restrictions
In Costa Rica, no offshore or onshore entities can trade derivatives onshore. Onshore entities are allowed to trade offshore.

Non-resident restrictions
None. Foreign investors are not subject to any restrictions regarding FX or cash transactions. Overdrafts are permitted for foreign investors provided credit facilities are in place with the local agent.

License requirements
Every single spot transaction has to be reported to the central bank by the banks at the end of the day. Clients are not required to report anything. Banks are also required to have a specific license to be able to trade derivatives onshore.

Requirements to open a foreign currency account
It is permissible to to open a USD account in Costa Rica and credit it with local currency (with an implied FX transaction to convert the funds).

Deal Management

Rollover: Rollovers are possible for NDFs and are net settled.

Unwinding: Possible to unwind NDFs, They are net settled.

Early Maturity: Possible, net settled.

Documentation Requirements

Product specific
For spot transactions no local law documentation is required.

NDFs are traded up to 1 year based on the limited market capacity. An ISDA is required to trade NDFs.

Trade flows
No local law documentation requirements.

Capital flows/FDI
No local law documentation requirements.

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Subsidiary Funding – Tax Consideration
Tax Summary – Costa Rica

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT	15% WHT	No WHT	15% WHT Global depository notes: No WHT, but different tax of 8%	15% WHT on dividends for countries without tax treaty 5% WHT if shares on which dividends paid were purchased through local stock exchange
Deductibility of interests	Generally deductible				N/A
Deductibility of FX losses	Generally deductible				N/A
Other taxes, duties	Stamp tax 0.5%				30% on capital gain only if the activity that generates the income is "habitual" (main source of income) for the taxpayer
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

DOMINICAN REPUBLIC (DOP – Dominican Peso)

Citi in Dominican Republic

For more than 50 years, Citi Dominican Republic has been serving top local and multinational corporations, financial institutions, and public sector customers and has taken the lead in technological and service innovations. Citi Dominican Republic has been advising local importers and exporters and remains the preferred banking partner for global companies.

Currently, Citi Dominican Republic has offices in two main branches located in Santo Domingo and Santiago. It is supported by a local network extension with Todo Pago (440 branches) and Banco Adopem (60 branches) to deposit in Citi accounts.

Market Overview

Our FX sales desk service more than 170 top-tier corporate clients, as well as major financial institutions. Our product offering includes FX Spot and Forwards with no intervention of intermediary or correspondent banks, and with a variety of currencies traded locally.

The local FX market is regulated by the Central Bank (CB) of the Dominican Republic and they implement a managed float regime.

There is an active spot market that trades between USD100MM and USD150MM on a daily basis. A forward market also exist but flows are more episodic. The market exhibits seasonal constraints that can limit spot USD availability, particularly in the last few months of the year.

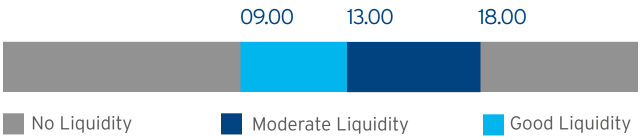
Convertibility
The Dominican peso is freely convertible even though occasionally the market occasionally exhibits low USD availability.

Rates Market
The DR rates space has one of the most active secondary bond market in the region. A total of around $170mm is traded daily between professional and retail counterparts as well as offshore investors. Offshore investors, through the purchase of Global Depository Notes or GDN's, contribute to a dynamic trading market as well as volatility in the FX space.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✓	✗	✓	✗	✓	✓	✓
Onshore volume (MM USD daily)	100 – 150	Episodic	Episodic	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A		Episodic	N/A	Episodic	Episodic	Episodic
Onshore max tenor (or typical tenor for spot)	T+1 typical, max tenor T+2	N/A	1 year	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	30d typical. Max tenor 1 year.	1 year	N/A	10yr	10yr	10 year
Onshore typical deal size (MM USD)	1	N/A	Episodic	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	1-5	5-10	N/A	Episodic	Episodic	Episodic
CitiFX Pulse Capabilities (onshore)	✓	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The fixing rate used is the CB Mid Rate derived from the end of day rates published by the CB on their website (https://www.bancentral.gov.do). The rate is also available on Bloomberg: CBDR. Rates are based on preliminary reporting of sales and purchases in the market during that day.

Regulation

Offshore restrictions

No restrictions.

Non-resident restrictions

Foreign investors are not subject to any restrictions regarding FX transactions.

License requirements

None required for corporate clients.

Requirements to open a foreign currency account

Local and foreign entities are allowed to open USD savings accounts.

Deal Management

Rollover: Rollover is allowed for NDF transactions.

Unwinding: Unwinding is permitted.

Early Maturity: Not allowed for FX transactions.

Documentation Requirements

Product specific

Spot transactions: KYC in place is required.

Forward transactions: a master local agreement and a confirmation document signed by the client and the bank after each deal is required.

Trade flows

No local law documentation requirements for FX transactions.

Capital flows/FDI

No local law documentation requirements for FX transactions.

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Subsidiary Funding – Tax Consideration
Tax Summary – Dominican Republic

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	10% WHT	10% WHT	No WHT	N/A	N/A
Deductibility of interests	Fully deductible			N/A	N/A
Deductibility of FX losses	Not deductible			N/A	N/A
Other taxes, duties	N/A	N/A	0.15% on funds transferred Not charged on disbursement but is charged on interest payments	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

EL SALVADOR (USD – U.S. Dollar)

Citi in EL Salvador

Citibank NA El Salvador, was established in 1964. It focuses on clients in key segments of the economy, such as textiles, agri-business and industrials. Citi in El Salvador maintains a network agreement with Banco Cuscatlan and Davivienda (90 Collection points).

Citi El Salvador is a leader in Corporate and Investment Banking in the country and is focused on transactional and structured solutions for the largest local companies, subsidiaries of multinational companies, financial institutions and the public sector. The team has strong expertise across Citi's array of products and key local industries.

Market Overview

On 1 January 2001, the government in El Salvador gave up control of its monetary policy. It abandoned the fixed exchange rate and "dollarized" the economy. Thus, U.S. Dollars can be used in El Salvador as legal tender.

El Salvador's economy is fully dollarised. The government and the Banco Central de Reserva de El Salvador (the Central Bank) only has limited influence over monetary policy through regulation of the banking system. Interest rates and the money supply are largely set by the market.

The economy is directly influenced by the U.S. Federal Reserve Bank and by the stability of the EL Salvador labour force abroad (remittances represent 20% of GDP).

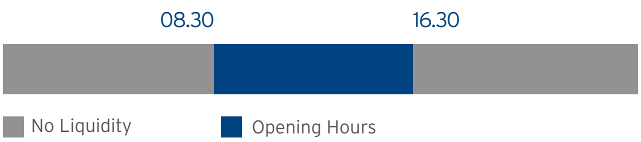
Convertibility
The currency is fully convertible: El Salvador has been a dollarized economy since January 2001. Therefore FX needs are all related to hard currency, most of which are EUR and CHF spot transactions.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✗	✗	✗	✗	✗	✗	✗
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	N/A	N/A	N/A	N/A	✗	✗	N/A
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	✗	✗	N/A
Onshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities (onshore)	✗	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Although EL Salvador is a dollarized economy, a G10 FX and Rates market both exist and the country's regulations allow FWDs and NDFs to be done in local books. Offshore NDFs and FWDs in G10 currencies can also be offered as well as Interest Rate Swaps and Interest Rate Options in G10 currencies. Additionally, CitiFX Pulse has capabilities for onshore and offshore FX spot transactions.

Market opening hours and liquidity during the day



Fixing (incl. ticker)

There is no local currency and therefore no local fixing..

Regulation

Offshore restrictions

There are no restrictions on transferring investment-related funds out of the country. Foreign businesses can freely remit or reinvest profits, repatriate capital, and bring in capital for additional investment. The 1999 Investment Law allows unrestricted remittance of royalties and fees from the use of foreign patents, trademarks, technical assistance, and other services. Tax reforms introduced in 2011, however, levy a five percent tax on national or foreign shareholders' profits. Moreover, shareholders domiciled in a state, country or territory that is considered a tax haven or has low or no taxes, are subject to a tax of twenty-five percent.

Law of Monetary Integration

The Monetary Integration Law dollarized El Salvador in 2001. The U.S. dollar accounts for nearly all currency in circulation and can be used in all transactions. Salvadoran banks, in accordance with the law, must keep all accounts in U.S. dollars. Dollarization is supported by remittances – almost all from workers in the United States – that totaled USD 59 billion in 2020.

Remittance Policies

There are no restrictions placed on investment remittances. The Caribbean Financial Action Task Force's Ninth Follow-Up report on El Salvador (https://www.cfatf-gafic.org/index.php/member-countries/el-salvador) noted that El Salvador has strengthened its remittances regime, prohibiting anonymous accounts and limiting suspicious transactions. In 2015, the Legislature approved reforms to the Law of Supervision and Regulation of the Financial System so that any entity sending or receiving systematic or substantial amounts of money by any means, at the national and international level, falls under the jurisdiction of the Superintendence of the Financial System.

Sovereign Wealth Funds

El Salvador does not have a sovereign wealth fund.

License requirements

None required for clients.

Law of Banks

Dated September 2, 1999. The banks law intends to regulate financial intermediation and other bank operations, fostering a transparent, reliable and agile service that contributes to the nation's development.

Deal Management

For cross border payments, the Central Bank requires an inflow/outflow form, according to Article 64 of the Organic Law of the Institution.

Interest rate markets

The Superintendent of the Financial System supervises individual and consolidated activities of banks and non-bank financial intermediaries, financial conglomerates, stock market participants, insurance companies, and pension fund administrators. Foreign investors may obtain credit in the local financial market under the same conditions as local investors. Interest rates are determined by market forces, with the interest rate for credit cards and loans capped at 1.6 times the weighted average effective rate established by the Central Bank. The maximum interest rate varies according to the loan amount and type of loan (consumption, credit cards, mortgages, home repair/remodeling, business, and microcredits).

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Markets Corporate FX Sales

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Source: Relevant legislation, publicly available sources.

Subsidiary Funding – Tax Consideration
Tax Summary – El Salvador

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT • 25% if the provider is in a tax heaven	20% WHT • 10% if the lender is certified by the Central Bank 20% on intercompany loans	No WHT	20% WHT • 25% if the provider is in a tax heaven	5% WHT on dividends paid
Deductibility of interests	Deductible when WHT has been applied		Fully deductible	Deductible when WHT has been applied	N/A
Deductibility of FX losses	N/A	N/A	N/A	N/A	N/A
Other taxes, duties	13% VAT on the payment	13% VAT on interest • 0% if the lender is certified by Central Bank	N/A	13% VAT on the payment	N/A
Comments	Contract of services should be signed	N/A	N/A	Contract of services should be signed	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

GUATEMALA (GTQ – Guatemalan Quetzal)

Citi in Guatemala

Citi Guatemala, established in 1974, offers a wide array of first-class products and services to its clients and is the number-one choice for Corporate & Investment Banking in the country. Citi, with its unparalleled expertise in transactional and structured solutions for large companies, multinational companies, financial institutions, the public sector and key local industries, is a trusted strategic advisor to Guatemalan companies. Citi applies its mission to become the leading international bank using competitive advantages by providing services to key Guatemalan companies with high transactional needs and leveraging Citi's global footprint.

Citi Guatemala has been given prestigious awards from key financial publications, including Best Corporate/Institutional Internet Bank.

All clients are corporates (agricultural and multinational companies).

Market Overview

Guatemala's GTQ is fully convertible, and there are no restrictions to trade FX in the country. The Central Bank (Banguat) manages a "dirty float" FX regime, in which the Central Bank intervenes when intra-day FX rates exceed the five-day moving average by +/- 0.85% (in current central bank policy). With these interventions, Banguat has the mandate to reduce volatility, not to change the market trend. This policy has contributed to relatively low FX volatility compared to other Emerging Market countries. Historically, GTQ appreciation is observed during the first six months of the year, due to export-related flows.

Around USD 150MM is traded daily in the spot Market, which includes Corporate and Professional Market trades. By regulation, all spot trades are reported to the Central Bank's FX system SPID (Sistema Privado Interinstitucional de Divisas). Most of the spot trades are settled same day value, but GTQ can be traded from T+0 to T+2. The Official spot rate is published in the Central Bank's Official website (www.banguat.gob.gt).

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	Available on a case by case basis
Offshore	✓	✓	✓	✗	✗	✗	
Onshore volume (MM USD daily)	140 – 160	1	1 – 3	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	3 – 5	Negligible	1 – 3	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 0	1 years	1 year	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	1 years	1 year	N/A	N/A	N/A	5 years, on case by case basis
Onshore typical deal size (MM USD)	0.5 – 1.5	2	2	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	0.5 – 1.0	Episodic	0.1 – 0.5	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities (onshore)	✓	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Regulation allows clients to have deposit accounts in foreign currencies, but the GTQ is only liquid against the USD. Other currencies should be crossed against USD. Benchmark spot orders are not available in the Guatemalan GTQ market.

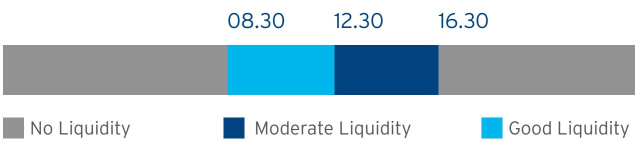
Even though the forward market has been developing for the last 10 years, the forward market currently provides poor liquidity and low activity levels. Only 4 of the 12 banks operating in the country offer this instrument.

The low volatility of the GTQ offers little incentive for an active and liquid local FX derivative market.

There is no active interbank market for forwards onshore, only Citibank makes markets in forwards.

Convertibility
The GTQ Currency is fully convertible.

Market opening hours and liquidity during the day



Fixing (incl. ticker)
The Fixing rate used is the Official Rate published by the Central Bank. This rate is the weighted average of all transactions above $20K traded on the Central Bank's SPID system (Sistema Privado Interinstitucional de Divisas), a day before its publication.

Bloomberg Ticker: {GTQ BDEG Curncy}

The fixing rate used to settle FX NDFs is set one day prior to NDF settlement (T-1).

Regulation

Offshore restrictions
Clients are free to trade in either direction and size depending on liquidity, as per "Ley de Libre Negociacion de Divisas". Trades must be executed through a regulated financial institution or registered exchange house. Offshore entities can trade onshore and onshore entities can trade offshore.

Non-resident restrictions
Non-residents need to trade with an approved financial institution or exchange house. Local requirements need to be met by non-residents, such as documentation from the Intendencia de Verificacion Especial (IVE) to trade with the approved financial institution.

License requirements
No license required.

Requirements to open a foreign currency account
It is possible to open foreign currency accounts in Guatemala with financial institutions. Requirements are the same as for local currency accounts.

Deal Management

Rollover: Rollovers are allowed. The bank must be notified at least 2 days prior to expiry. That is also the earliest that the bank can advise on the FX amount.

Unwinding: Permitted. Net settled.

Early Maturity: Permitted. Gross/net settled.

Documentation Requirements

FX Spot: An account with Citi is required. No additional documentation is required.

Non Delivery and Full Delivery forwards are available; both can be traded onshore and offshore. No regulatory documentation is required, only the forms from the Intendencia de Verificacion Especial mentioned above. Citi requires all clients to sign a Master Agreement before closing any forwards. Forwards are available in GTQ against USD with tenors from 7 days to 365 days. GTQ Forwards are not traded online.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Interest rate markets

Rates trading is mostly concentrated in the cash market. Bonds issued by the Government of the Republic are mostly bought by market participants as a buy and hold strategy. There is no swap curve as the market has not developed yet a floating benchmark. Banks rely on the repo and reverse repo market to address short term liquidity needs, as secondary markets for government securities are not fully developed. Citi makes markets in short and long term rates as needed by corporate clients.

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Guatemala City, Guatemala, 00106-2000

FX Sales Contact: +50 2313 2647

Subsidiary Funding – Tax Consideration
Tax Summary – Guatemala

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	10% WHT	No WHT	No WHT	No WHT (*)	N/A
Deductibility of interests	Not deductible	Fully deductible		N/A	N/A
Deductibility of FX losses	Deductible only when the loss is materialized in an FX trade				N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	(*) requires analysis and confirmation from the client's tax advisor	N/A

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Source: Relevant legislation, publicly available sources.

HAITI (HTG – Haitian Gourde)

Citi in Haiti

Citi Haiti, established in 1971, is a fully owned branch of Citibank N.A., New York. For more than 42 years, Citi Haiti has been providing professional, innovative and high-quality financial services to its corporate clients. It is the only non-local bank in the country.

Citi Haiti offers key banking services, such as Trade Finance, Liquidity Management, Domestic and International Account Structures, CitiDirect BE and FX Management. Part of our team is based in Dominican Republic, and the majority is based in our key branch in Port-au-Prince.

Citi Haiti contributes to the community of the island country by sponsoring local projects that aim to provide health care, develop computer literacy, improve quality of life for low-income families and provide post natural disaster efforts.

Market Overview

The local FX market is regulated by the Central Bank of Haiti (BRH) and they implement a managed float regime.

There is an active spot market that trades between USD6MM and USD12MM on a daily basis. As the country is net importer, the market usually exhibits some limitations regarding USD availability, which is compensated with some seasonality throughout the month.

Convertibility

The Haitian gourde is freely convertible even though the market usually exhibits low USD availability.

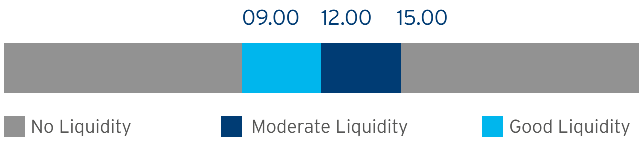
Rates Market

There is currently no rates market in Haiti.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✗	✗	✗	✗	✗	✗
Offshore	✓	✗	✓	✗	✓	✓	✓
Onshore volume (MM USD daily)	6 to 12	N/A	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	Episodic	N/A	Episodic	Episodic	Bespoke hedge dependent
Onshore max tenor (or typical tenor for spot)	T+1 Typical, max tenor T+2	N/A	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	3 year	N/A	10 year	10 year	5 year
Onshore typical deal size (MM USD)	0.5	N/A	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	5	N/A	Episodic	Episodic	Bespoke hedge dependent
CitiFX Pulse Capabilities (onshore)	✗	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No Fixing.

Regulation

Offshore restrictions

No restrictions.

Non-resident restrictions

Foreign investors are not subject to any restrictions regarding FX transactions.

License requirements

None required for corporate clients.

Requirements to open a foreign currency account

Local and foreign entities are allowed to open USD accounts.

Deal Management

Rollover: Rollover is not allowed.

Unwinding: Unwinding is permitted.

Early Maturity: Not allowed for FX transactions.

Documentation Requirements

Product specific

Spot transactions: KYC in place is required.

Trade flows

No local law documentation requirements for FX transactions. Banks need to report all FX trades with clients to the Central Bank.

Capital flows/FDI

No local law documentation requirements for FX transactions.

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Source: Relevant legislation, publicly available sources.

HONDURAS (HNL – Honduran Lempira)

Citi in Honduras

Citi started operations in Honduras in 1965, after purchasing the majority stake in Banco de Honduras, the oldest financial institution in the country with over 129 years of experience and initially serving as Honduras currency issuer prior to the establishment of the Central Bank of Honduras.

Citi has offices in the country's two largest cities: Tegucigalpa, the nation's capital and seat of government, situated in the center of the country, and San Pedro Sula, the nation's business and industrial center, located in the north, near the Atlantic coast.

Market Overview

The Central Bank (CB) of Honduras regulates the local FX market and has implemented a crawling peg exchange regime. Those looking to buy USD can participate in an FX auction sourced and managed by the Central Bank or can purchase USD directly from Banks depending on the required amount, as established by local regulation.

For USD Buyers: Maximum allowed amount per day of USD 1.2MM through the auction market. A lower and upper FX band is defined daily by the Central Bank for placing a bid.

For mid value transactions (lower than USD 600K), FX transactions are managed by Local Banks using a CB defined exchange rate called "Tipo de Cambio de Referencia" (TCR).

For USD Sellers: There are no amount restrictions for USD sellers. All transactions are closed at a CB daily defined rate. On a daily basis, a percentage of purchases must be sold to the CB while the remainder is kept by local banks to accommodate mid value USD purchase demand by clients.

The forward market in Honduras, although available, has very limited liquidity and only OTC trades are possible with a few local institutions, including Citi. Currently, there is no interdealer market and as such, any trade is usually analyzed and closed on a case-by-case basis, taking into consideration limited market capacity.

Convertibility

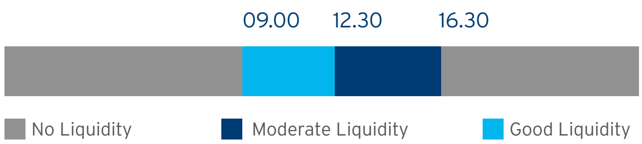
Honduran Lempira is a restricted currency with convertibility regulated by the Central Bank through a crawling peg regime.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	80 – 95	Episodic	Episodic	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	Episodic	N/A	N/A	N/A	Episodic
Onshore max tenor (or typical tenor for spot)	T + 0 T + 1	‹ 1.5 year	‹ 1.5 year	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	‹ 1.5 year	N/A	N/A	N/A	10 years
Onshore typical deal size (MM USD)	1	Episodic	Episodic	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	Episodic	N/A	N/A	N/A	Episodic
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

- 09:00 – 10:00 Auction Market offer reception.
- 09:00 – 12:30 Interbank Currency Market.
- 16:30 Market Closes.



Benchmark Rate (incl. ticker)

The benchmark rate to sell Honduran Lempira is the "Tipo de Cambio de Referencia" (TCR) published by the Central Bank of Honduras and which is derived from the following transactions executed on the previous day: Currency Auction, Interbank Currency Market, Currency used by banks on the market to cover their own demand and sale to their clients.

Bloomberg Ticker: USDHNL Currency

Fixing: https://www.bch.hn/politica-institucional/politica-cambiaria/tipo-de-cambio-de-referencia

Regulation

Offshore restrictions

No offshore entity can trade derivatives onshore. Onshore entities are allowed to trade offshore.

Non-resident restrictions

Foreign entities are not allowed to trade derivatives or cash transactions; they have to open local bank accounts in order to transact, and in order to open the account they have to operate in the country. FX transactions are allowed.

License requirements

All FX transactions have to be reported to the Central Bank by financial institutions at the end of the day. Corporates are required to report and comply with regulation regarding repatriation of foreign currency related to exports.

Requirements to open a foreign currency account

Only local companies with presence or operations in the country are allowed to open USD or EUR accounts.

Deal Management

Rollover: Rollovers are possible for NDFs and are net settled.

Unwinding: Possible to unwind NDFs, they are net settled.

Early Maturity: Possible, net settled.

Documentation Requirements

Product specific

FX Spot: For spot Transactions lower than 1MM USD, no local law documentation is required.

Only legal entities and not individuals can participate on FX auctions. In order to participate they need to fill out a form required by the Central Bank.

NDF (on-shore): At the time only Non-Deliverable Forwards (NDF) are locally traded.

A NDF Contract has to be signed with Citi's subsidiary in Honduras.

Although no maximum tenor is established, due to limited liquidity tenor is usually below 1.5 years.

	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equities
Tax & Regulatory Overview					
W/H Tax	10% on interest payments	10% on interest payments	No	10% on net settlement amount (Not on NDF)	N/A
Deductibility of Interests	No	Yes	Yes	Yes	N/A
Deductibility of (FX) Losses	FX gain/loss only applicable to on-balance positions				N/A
Other Taxes, duties	0.20 % special tax on wire transfers to third parties				N/A

Trade flows

Purchases:

- Daily, below USD 600k can be purchased directly from banks.
- Daily, above USD 600k and up to USD 1.2 M can be purchased through the Central Bank FX auction market.

Sellers:

- No restrictions.

Capital flows/ Foreign Direct Investment

FDI inflows have to be reported to the Central Bank. The transfer processing instructions/description has to state that the purpose of transfer is for FDI.

Interest rate markets

Rates trading is mostly concentrated in the cash market. Bonds/Bills issued by the Honduras Government and the Central Bank are mostly bought by market participants (mainly banks and pension funds) as a buy and hold strategy. There is no swap curve, as the market has not yet developed a floating rate benchmark. Banks usually rely on the rpo and reverse repo market to address short term liquidity needs, as the secondary market for government securities is limited.

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Subsidiary Funding – Tax Consideration
Tax Summary – Honduras

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	10% WHT	10% WHT	No WHT	10% WHT on net settlement amount	NA
Deductibility of interests	Not deductible	Fully deductible		Not deductible	NA
Deductibility of FX losses	FX gain/loss only applicable to on-balance positions				NA
Other taxes, duties	0.20% special tax on wire transfers to third parties				NA
Comments	NA	NA	NA	NA	NA

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Source: Relevant legislation, publicly available sources.

JAMAICA (JMD – Jamaican Dollar)

Citi in Jamaica

Citi has operated in Jamaica since 1960, offering a wide array of first-class products. For more than 50 years, Citi Jamaica has been serving of more than 150 multinational corporations and their local subsidiaries, financial institutions, large local companies, as well as public sector and government institutions.

Market Overview

The local FX market is regulated by the Bank of Jamaica (BOJ) under a free and floating FX system. BOJ intervenes in the market when deemed necessary.

There is an active spot market for USDJMD that trades between USD30MM and USD40MM on a daily basis. A forward market also exist but flows are fairly episodic and not yet publicly available. The market exhibits seasonality where USD availability is lowered, particularly in the summer and last few months of the year. These cycles are typically the result of a reduced tourism flows in summer months and a ramp up in imports to prepare inventories for the holiday season and dividend repatriation from multinationals.

The other frequently traded currencies are GBP, CAD and EUR, with total daily volumes around USD 1MM to USD 3MM. The Bank of Jamaica publishes the spot trading information daily – volumes traded and weighted average buy and sell rates.

Convertibility
The Jamaica Dollar is freely convertible.

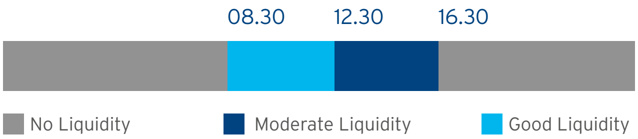
Rates Overview

Over the years, there has been little activity in the Rates market in Jamaica. However, appetite is increasing and derivative based trades are being executed from small to medium sized volumes with an average ticket of US10MM.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✓	✓	✓	✓	✓	✓	✓
Onshore volume (MM USD daily)	30 – 40	Episodic	Episodic	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	22,000 – 26,000	N/A	Episodic	Episodic	Episodic	Episodic	Episodic
Onshore max tenor (or typical tenor for spot)	T typical, max T + 2	30D to 1Y	Episodic	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	Episodic	Episodic	Episodic	Episodic	Episodic
Onshore typical deal size (MM USD)	0.1 to 2	Episodic	Episodic	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	Episodic	Episodic	Episodic	Episodic	Episodic
CitiFX Pulse Capabilities (onshore)	✓	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity



Fixing (incl. ticker)

Jamaica does not have a defined fixing rate. The Bank of Jamaica publishes the weighted average buy and sell rates daily based on the spot volumes bought and sold, at 1PM and at the end of each business day (http://boj.org.jm/).

Regulation

Offshore restrictions

The remittance of funds or payments and the repatriation of profits, dividends, interest payments, capital or any other service payment abroad are not subject to any restrictions. Local entities are allowed to trade the spot market offshore and foreign entities have full access to the onshore spot market through licensed and authorized foreign exchange dealers.

Documentation Requirements

Product specific

The spot market for JMD is sufficiently liquid and transactions can be settled in T+0, T+1 or T+2, with T+0 settlement being the market standard.

Fully deliverable and non-deliverable forwards (NDFs) are available, however the market standard is deliverable contracts. These instruments are usually traded with tenors ranging from 1 month to 1 year. For full deliverable forwards, confirmation is required with 24 hours of booking the trade, usually done via email response. For NDFs, signed confirmation of the NDF long form is require.

Trade flows

There are no costs or restrictions to trading in FX spot or forward markets. The authorized dealers need to report all FX trades with clients to the Bank of Jamaica.

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Jamaica, WI

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LM Treasury Contact: + 1-876-936-3251
Jamaica.treasury@citi.com

Subsidiary Funding – Tax Consideration
Tax Summary – Jamaica

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td colspan="2">33.33% WHT
• Under certain tax treaties rate is reduced:
- 12.5% WHT for U.S & UK
- 15% WHT for CARICOM countries
- 15% WHT for Canada</td><td>25% WHT</td><td>33.33% WHT
• Under certain tax treaties rate is reduced:
• 12.5% WHT for U.S & UK
• 15% WHT for CARICOM countries
• 15% WHT for Canada</td><td>12.5% WHT for U.S & UK
15% WHT for CARICOM countries
15% WHT for Canada</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">Fully deductible</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="3">Unrealized losses are not deductible
Realized losses are deductible</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Other taxes, duties</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

MEXICO (MXN – Mexican Peso)

Citi in Mexico

Citigroup operates in Mexico as Citibanamex, one of the largest banks in the country. The corporate client coverage spans ~750 – 850 clients of which ~600 either have a multinational presence or are subsidiaries of internationally established names. The Mexican market is well developed with significant market liquidity and depth of financial product utilization. The CitiBanamex Treasury specifically is able to execute and book transactions locally allowing for cost efficiencies in case of intercompany funding. Local trading teams manage the risks associated to transactions booked onshore.

Market Overview

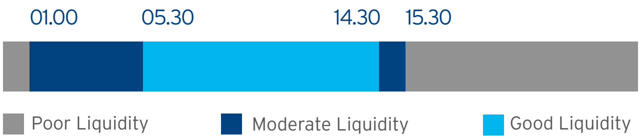
Within Latin America, the Mexican foreign exchange market is the most open to trade and the Mexican Peso (MXN), the most liquid currency. The Mexican peso ranks as one of the most traded currencies in emerging Markets. Additionally, it is the only Latin American currency that can be settled through the Continuous Linked Settlement foreign exchange settlement system (CLS). The Foreign Exchange Commission is composed of members of the Secretaría de Hacienda y Crédito Público (Ministry of Finance) and Banco de Mexico (Central Bank – Banxico). They are responsible for developing the foreign exchange policies in Mexico, while Banxico is responsible for the implementation. Banxico is an autonomous institution and manages the currency under a free floating regime in which free convertibility is permitted. Despite the free float policy, the Foreign Exchange Commission may entitle Central Bank to trade in the exchange market in order to manage reserves accumulation levels and address excessive price volatility.

Convertibility
The Mexican peso is fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✓	✓
Offshore	✓	✓	✓	✓	✓	✓	✓
Onshore volume (MM USD daily)	5,000 – 7,000	2,000 – 2,800	Negligible	1,000 – 1,400	100	2	50
Offshore volume (MM USD daily)	22,000 – 26,000	9,000 – 10,000	Negligible	4,500 – 5,000	500 – 700	2	90 – 100
Onshore max tenor (or typical tenor for spot)	T + 0	2 years	2 years	4 – 5 years for longer tenors speak to traders	20 years	10 years	10 years
Offshore max tenor (or typical tenor for spot)	T + 2	3 years	2 years	4 – 5 years for longer tenors speak to traders	20 years	10 years	10 years
Onshore typical deal size (MM USD)	5 – 10	5 – 10	Episodic	Included in offshore	80	2	20
Offshore typical deal size (MM USD)	5 – 10	5 – 10	Episodic	20 – 50	150	2	40 – 60
CitiFX Pulse Capabilities (onshore)	✓	✓	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The most relevant benchmark rate for the Mexican Peso is the Banxico FIX, which is used to settle transactions the second working day following the expiry day. The FIX rate was created to settle liabilities denominated in foreign currency payable within Mexican territory. Central Bank surveys FX dealer institutions on three different time periods, between 9pm to 12pm, every business day and it calculates the average of the wholesale market quotes. It then publishes daily the Benchmark FIX Rate at 12pm local time (UTC-6).

Bloomberg Ticker: {MXN BDEM Currency}

The spot market for MXN is very liquid and transactions can be settled in T+0, T+1 or T+2, with T+0 settlement being the market standard. Spot transactions settled after 4 business days from the closing date are considered derivatives by the Central Bank and are subject to compliance with derivatives regulation. Fully deliverable and non-deliverable forwards are available both onshore and offshore. However, the market standard is deliverable contracts. These instruments are usually traded with tenors up to 2 years with greater liquidity concentrated on contracts up to 1 year. NDFs can be cash settled in either MXN or USD.

Mexico's Derivatives Overview

The most important derivatives market in Mexico is the over-the-counter (OTC) derivatives market, which is fully integrated with the global derivatives market.

Investors and end-users have access to a wide variety of foreign exchange and interest rate contracts, among which the most important ones are FX forwards, FX options, cross-currency swaps, and interest rate swaps. Transactions in the OTC market can be conducted either with a domestic or foreign bank, or directly with an offshore dealer.

Exchange-traded derivatives contracts are traded in the Mexican Derivatives Exchange (MexDer), with domestic banks and local subsidiaries of foreign banks accounting for most of the trading activity.

The exchange offers listed derivatives contracts including futures contracts on U.S. dollars, the Mexican stock exchange index (IPC), government bonds, interest rates, and individual stocks. MexDer also offers options on the IPC, individual domestic stocks, and exchange traded funds (ETFs) tracking the Nasdaq 100 and S&P 500 indices in the United States.

Interest Rate Derivatives Overview

Conventions

Trading hours 7:30 AM to 2 PM (GMT -6:00).

An IRS is the exchange of fixed interest payments vs. floating rate related to a notional amount. Referenced to the 28 day TIIE (Interbank equilibrium interest rate). This reference is published at 12:30 pm local time by the Central Bank on a daily basis and computed using quotes from seven commercial banks.

Mexican IRS trade according to the number of 28-day coupons in the life of the swap from 3 months up to 30 years. The nomenclature used is the number of coupons followed by x1 (times one) or "n" (28-day period). Example: 3x1 or 3n for a 3-month swap. 130x1 or 130n for a 10y swap.

Booking conventions are Act/360, following business day, Mexico holiday schedule. MXN IRS can be quoted as spot with t+1 start date, IMM start, forward starting, and also as spread and fly.

Market Liquidity

Drivers of the short end of the curve (3n to 13n tenors) are mainly monetary policy and inflation. Monetary policy is supervised by Central Bank whose primary objective is to keep inflation near a target rate of 3% with a +1/-1 range, their main instrument for this objective is the rate target for overnight funding operations between banks. Daily volume traded in average in SEF channels is 1.5mm dvo1. Standard size for a spot ticket is 15k dvo1. Most liquid tenors are 3m, 2y, 5y and 10y. Clearing houses: CME, LCH and Mexder (Mexican Derivatives Exchange).

A typical Cross-Currency Basis Swaps (CCS) in the Mexican market involves the exchange of MXN for USD in a floating vs floating rate swap, where MXN leg is referenced to 28-day TIIE and the USD leg to 1-month LIBOR. This quote represents the basis points that are used as a spread over LIBOR.

Main drivers are issuance of Mexican corporate and government bonds in USD, differences in funding sources, and movements in USD rates.

Regulation

Offshore restrictions

The remittance of funds or payments and the repatriation of profits, dividends, interest payments, capital or any other service payment abroad are not subject to any restrictions. Local entities are allowed to trade the spot market offshore and foreign entities have full access of the onshore spot market although repatriation of dividends is subject to compliance with the Income Tax Law (Ley del Impuesto sobre la Renta). Local and foreign currency accounts are available to resident and non-resident entities, however, all non-resident entities are required to register local foreign currency accounts with the banking authorities.

Circular 4/2012 issued by the Central Bank establishes the guidelines for derivatives trading that need to be followed by banks, development banks, brokerage dealers, and other Mexican regulated entities. Its guidelines include the type of derivative transactions, underlying assets, permitted counterparties, instruments,guarantes, settlement procedures, prohibitions, suspensions and sanctions. It also requires derivative transactions to be documented under master agreements or ISDAs.

There is a liquid market for MXN plain vanilla and exotic options that can be either deliverable or non-deliverable, available both onshore and offshore. Deliverable options are settled in either MXN or USD. Greater liquidity can be found on tenors up to 3 years. Exchange traded MXN options are available at the CME and MEXDER.

Other local regulations that must be observed, among others, when transacting with currencies onshore:

- Circular 22/2017 (modified by Circular 23/2017) – Global FX Code.
- Circular 3/2012 – among other regulates foreign exchange operations.
- Ley del Sistema de Pagos – funds transfers.
- Ley de Instituciones de Credito– Funds Transfers & AML.
- Circular 25/2017 – Código LEI.
- Circular 4/2016 – System of Interbank Payments in Dollars (SPID).

Non-resident restrictions

Similar to spot transactions, foreign entities are allowed to trade derivatives onshore, and local entities are permitted to trade offshore.

Deal Management

Rollover: Rollovers are possible with no restrictions and can be either gross settled or net settled.

Unwinding: Unwinding is possible in all instruments.

Early Maturity: Early maturity is possible and can be either gross settled or net settled.

Documentation Requirements

License requirements

The Mexican Central Bank imposes no foreign exchange controls and no documentation requirements, allowing the free conversion and flow of funds.

Requirements to open a foreign currency account

Corporate clients are allowed to have local checking or savings accounts in MXN or USD in any region of the country. Foreign investors are allowed to hold cash accounts denominated in Mexican pesos. According to Mexican regulation (Article 65 of the Ley de Instituciones de Crédito and Article 15 of Disposiciones de Caracter General Aplicables a las Instituticiones de Credito – CUB), cash accounts cannot be overdrawn without a credit facility in place.

Trade flows

There are no restrictions to trading in FX spot or forward markets. Banks need to report all FX trades to the Central Bank.

Capital flows/FDI

There are no foreign exchange restrictions in the Mexican market. Foreign exchange transactions can be executed with any local financial institution that maintains a foreign exchange desk. Forward foreign exchange transactions, as well as futures, are allowed.

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Subsidiary Funding – Tax Consideration
Tax Summary – Mexico

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	35% WHT • Under certain tax treaties typically 10-15% WHT 40% WHT when lender domiciled in tax haven	4.9% WHT for registered banks of tax treaty countries 10% WHT for registered banks of non-tax treaty countries 30% WHT for non-registered non-tax treaty country banks	No WHT	Onshore: none Offshore: "capital derivatives" • FX none • Equities: 0 to 40% Offshore "debt derivatives" (treatment similar to debt): • 30% general • 4.9% for registered banks of tax treaty countries • 10% for registered* banks of non-tax treaty countries • 10% to 15% for tax treaty countries • 40% tax haven	10% WHT on dividends 25% WHT on full transaction 30% WHT of capital gain on sale of shares, subject to the interested party giving written proof to the tax authority of the initial cost of shares
Deductibility of interests	Interest is deductible, unless D/E > 2x	Fully deductible		N/A	Paid dividends are not added to or subtracted from taxable income
Deductibility of FX losses	Yes for non-MXN debt			"FX Derivatives": MTM losses deductible at end of fiscal year (if different from exercise date) "Other derivatives": losses deductible on a realized basis	N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	Strict rules affecting related-party collateralized bank loans	N/A	Inflation adjustment for deduction of realized losses of debt derivatives	N/A

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Source: Relevant legislation, publicly available sources.

PANAMA (PAB – Panamanian Balboa)

Citi in Panama

For more than 110 years, Citi Panama has been involved in the country's economic development, starting with the funding of the construction of the Panama Canal in 1904 through the former International Banking Corporation. Citi Panama has continuously funded other public works throughout the years, such as the highway network, hospitals and the recent construction of the country's first metro system.

Citi Panama has been recognized by international financial publications for its outstanding performance in International Trade, Foreign Exchange and Internet banking.

Market Overview

Panama has been a dollarized economy since its independence in 1903 and the national currency is the Panamanian Balboa (PAB). Ever since its inception, the Balboa has been pegged by law against the USD at 1:1 ratio and it can be traded for USD at any time by any entity.

Although the PAB is the official currency, it is only used for small transactions and as a unit of account (only coins are minted), as the USD is the legally accepted circulating currency. Therefore, there is no local rates market denominated in PAB. Panama does not have a properly defined central bank.

In Panama, there is no rates market.

Convertibility
The legally accepted circulating tender is USD.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✗	✗	✗	✗	✗	✗	✗
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

N/A.

Fixing (incl. ticker)

N/A.

Regulation

Offshore restrictions

No currency exchange controls. Panama has no restrictions on monetary remittances abroad, including dividends, interests, branch profits and royalties. No restrictions on funds flowing in or out of the country.

Non-resident restrictions

N/A.

License requirements

N/A.

Requirements to open a foreign currency account

Local and foreign individuals and entities are allowed to have onshore bank accounts denominated in USD or PAB.

Deal Management

Rollover: N/A

Unwinding: N/A

Early Maturity: N/A

Documentation Requirements

Product specific

Panama's circulating currency is the US Dollar, and Panama has no currency exchange controls or currency restrictions so funds can flow in and out of the country freely.

Trade flows

Panama is heavily dependent on foreign investment and has worked to make the investment process attractive and simple for investors. With few exceptions, the Government of Panama makes no distinction between domestic and foreign companies for investment purposes. Panama benefits from stable and consistent economic policies, a dollarized economy and a government that consistently supports trade and open markets.

Capital flows/FDI

The Government of Panama imposes some limitations on foreign ownership in the retail and media sectors where, in most cases, ownership must be Panamanian. However, foreign investors can continue to use franchise arrangements to own retail within the confines of Panamanian law (under the TPA, direct U.S. ownership of consumer retail is allowed in limited circumstances).

In addition to limitations on ownership, the exercise of approximately 55 professions is reserved for Panamanian nationals. Specifically, medical practitioners, lawyers, accountants, and customs brokers must be Panamanian citizens. The GOP also requires foreigners in some sectors to obtain explicit permission to work. However, there are no reports of such restrictions hindering U.S. firms operating in Panama.

With the exceptions of retail trade, the media and several professions, foreign and domestic entities have the right to establish, own, and dispose of business interests in virtually all forms of remunerative activity. Foreigners need not be legal residents or physically present in Panama to establish corporations or obtain local operating licenses for a foreign corporation. Business visas (and even citizenship) are readily obtainable for significant investors.

While there is no formal investment screening by the GOP, the government does monitor large foreign investments.

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Subsidiary Funding – Tax Consideration
Tax Summary – Panama

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	12.5% WHT	12.5% WHT	No WHT	12.5% WHT	5% WHT (see comments)
Deductibility of interests	Generally deductible (see comments)		Fully deductible	If local, interest is deductible	
Deductibility of FX losses	Not deductible			N/A	N/A
Other taxes, duties	N/A	N/A	1% tax over notional	N/A	N/A
Comments	Deductibility of interest is applicable only if withholding tax is applied over interest paid offshore. Otherwise, it becomes a non-deductible expense		N/A	N/A	10% capital gain tax on the sale of equities is applicable If the entity is the purchasing side of the transaction, a withholding tax of 5% of the equity value must be deducted from payment to issuer

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Source: Relevant legislation, publicly available sources.

PARAGUAY (PYG – Paraguayan Guarani)

Citi in Paraguay

Citi Paraguay has offered quality financial services for more than five decades since its establishment in 1958.

For more than 59 years, Citi has been committed to the economic, social and cultural development of Paraguay. Citi established and implemented the best financial products and services in the country and participated in one of the most significant projects for national development by funding landmark infrastructures. Citi has marked several milestones in Paraguayan history, becoming the first bank to introduce ATMs in the '60s as well as being the first institution to inaugurate the construction of the country's first 'intelligent' building in the '90s.

Citi is also the only financial institution in the country that provides financial literacy programs as part of its social investment strategies. In addition, Citi is the only bank to have its own cultural center where it promotes the development of the country's arts and culture.

Market Overview

The Paraguayan Central Bank maintains a floating monetary exchange policy and imposes virtually no controls or restrictions over foreign exchange transactions.

Most of the volume originates from importers and exporters. The most traded currency pair is USD/PYG and the central bank implements a floating currency system.

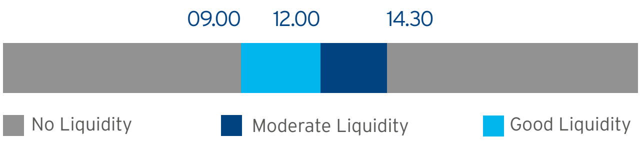
The Central Bank requires financial institutions' FX positions not to exceed USD 5mm on a daily basis, in FX spot and forwards.

Convertibility
The currency is fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✓	✓	✓
Onshore volume (MM USD daily)	40 – 60	2 – 3	2 – 3	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	Negligible	N/A	Negligible	Negligible	Bespoke hedge dependent
Onshore max tenor (or typical tenor for spot)	T + 2	3 years	3 years	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	1 year	N/A	5 years	5 years	Bespoke hedge dependent
Onshore typical deal size (MM USD)	0.1 – 0.5	0.1 – 0.3	0.1 – 0.5	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	Episodic	N/A	Episodic	Episodic	Bespoke hedge dependent
CitiFX Pulse Capabilities (onshore)	✓	✓	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The prevailing fixing rate for USDPYG is the reference FX rate (tipo de cambio referencial) published daily by the central bank at approximately 13:30. It is the weighted average of transactions executed among financial institutions each business day.

There is no fixing ticker.

Market Rates

Primary auctions for the short end of the curve are based on central bank notes (1M to 1.5Y) and are carried out once a month. The main requirement in order to purchase is to have a depositary account of the central bank platform (mainly for financial institutions). The secondary market, is not as liquid as the primary one, but the difference is that any person could purchase these securities through a local broker (local bank should enable a custody account for this local broker on the central bank platform).

For the long end of the curve, auctions happen once a month as well but are based on government bonds issued by Ministry of Finance (3Y to 20Y). The main requirement in order to purchase these bonds is to have an account with any local broker. The secondary market is not liquid, mostly because markets is very traditional in the country and the majority of bonds holders just wait until its maturity.

Regulation

Offshore restrictions

Financial institutions can only take positions with offshore entities up to 3% of their equity stake, this is an absolute limit between buys and sells.

Non-resident restrictions

A non-resident can own equity in a local company but requires at least one resident director to trade FX.

License requirements

None required.

Requirements to open an account with Citi

The following forms must be signed and delivered in hard copies to a Paraguayan branch.

- Account opening form.
- Corporate client profile.
- Individual profile for any stakeholder >10% share in the company.
- Signature card.
- W-8.
- GMTA – Global Manual Transaction Authorization.
- SAM – Service Account Manager.
- MAST CDPC and Local Conditions (Deliver with no signature).

In addition, the following documents must be authenticated by a Paraguayan authority and delivered in hard copy.

Documents in Spanish for precision.

- Copia autenticada de Escritura Pública de constitución de la entidad y sus sucesivas modificaciones, inscripta en los Registros Públicos correspondientes y decreto del Poder Ejecutivo si fuese el caso.
- Copia autenticada de Acta de asamblea del presente año y Acta de asamblea con elección de actuales autoridades.
- Copia autenticada de la nómina actualizada de los socios, accionistas, representantes legales o apoderados, directores, administradores, gerentes, consejo de administración, en su caso.
- Cédula tributaria RUC (Registro Único de Contribuyentes).
- Constancia RUC-SET (Personas Jurídicas).
- Copia autenticada del Registro de Comerciante o Patente Comercial o en su defecto, constancia de tramitación de las mismas.
- Copia autenticada del documento de identidad de los firmantes. En el caso de paraguayos, cédula de identidad paraguaya, y en el caso de extranjeros, pasaporte. Adicionalmente, los "Extranjeros Residentes", deben presentar su Certificado de Admisión Permanente o Temporario; y los "Extranjeros No Residentes", el pasaporte apostillado en el país de origen (Residentes y No Residentes).
- Copia autenticada del Impuesto a la Renta. Observación: Para sociedades nuevas, se debe presentar las copias autenticadas de los IVA's desde el momento de creación de la sociedad hasta la apertura de la cuenta" (Residentes).
- Copia autenticada del Balance (Residentes y No Residentes). Para los No Residentes, el documento debidamente apostillado y/o legalizado en el país de origen.

En caso de presentación de poderes, la escritura pública de poder debe estar acompañada de constancia de inscripción (sello) En el Registro General de poderes; constancia de inscripción (sello) en el Registro Público de Comercio (si corresponde), y certificado de Vigencia del Poder.

Personas jurídicas/Empresas NO Residentes en Paraguay

1. Estatutos (BY LAW) de la sociedad debidamente apostillado en el país de origen.
2. Poder (POA) otorgado en el país de origen, con facultades para apertura y manejo de cuentas bancarias (en Paraguay o en el exterior).

Este POA debe ser:

Apostillado en el país de origen
En caso que se aplicable, traducido por un traductor público matriculado en Paraguay. La firma del traductor público debe ser legalizada en la Corte Suprema de Justicia y en el Ministerio de Justicia y Trabajo en Paraguay.

Por último, el poder (POA) debe ser inscripto en el Registro de Poderes de Paraguay

3. TAX ID (documento de identificación tributaria equivalente al RUC) apostillado.
4. Nota/Detalle debidamente firmado (en general por el apoderado que desea registrar firma) sobre:

- Composición accionaria actualizada, que individualice a la totalidad de los accionistas y su respectivo porcentaje de participación accionaria.
- Composición principales autoridades de la empresa

Deal Management

Rollover: It is possible to rollover forwards if the client has credit lines approved and meets other internal requirements.

Unwinding: The client can exit their existing position only by executing the opposite trade.

Early Maturity: There is no early maturity for forwards. The client can unwind their position.

Documentation Requirements

Product specific

Spot: There are no restrictions imposed on foreign exchange transactions and no supporting documentation is required in order to buy or sell foreign currency. Local entities are allowed to hold onshore accounts denominated in Guaranies or American Dollars. Spot transactions are usually settled in T+0, however T+1 and T+2 settlements are also available upon request.

Benchmark Forwards: Fully deliverable and non-deliverable forwards (NDFs) are both available onshore and trade up to 3 years, though liquidity is very limited for tenors above 1 year.

Transaction sizes are analyzed on a case-by-case basis.

The company signs a master agreement once, and each time a forward deal is executed, an annex should be sent within 2 days of the deal date.

Trade flows

There are no trade flow restrictions besides market liquidity. No additional documentation is required by local regulation.

Capital flows/FDI

There are no restrictions for FDI or capital inflows. No additional documentation is required by local regulation.

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Subsidiary Funding – Tax Consideration
Tax Summary – Paraguay

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	30% WHT	6% WHT	No WHT	N/A	N/A
Deductibility of interests	Fully deductible				
Deductibility of FX losses	Fully deductible				
Other taxes, duties	VAT 10% of interest			N/A	N/A
Comments	N/A	N/A	N/A	Specific derivative transaction should get tax opinion	N/A

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Source: Relevant legislation, publicly available sources.

PERU (PEN – Peruvian Sol)

Citi in Peru

Since 1920, Citi Peru has had an uninterrupted presence in the country. Citi Peru provides corporate and investment banking services, including corporate financing bond issues on the domestic and international markets and cash management services.

Market Overview

The Central Bank of Peru (BCRP) manages the Peruvian monetary policy as an autonomous institution with an inflation targeting regime aimed at maintaining price stability. It allows free convertibility of the PEN and, although it manages the FX rates under a flotation regime, it actively intervenes in the FX market through different products and mechanisms. Given the fact that the full convertibility allows multi-currency management in local balance sheets, and that the local economy is still somewhat dollarized, BCRP's interventions are intended to limit excess price volatility, not to target specific USDPEN levels.

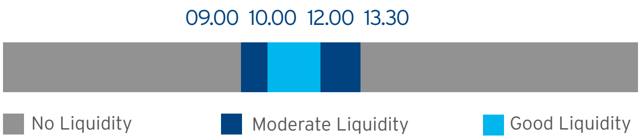
Peruvian FX predominantly operates as a free market. Although central bank interventions in the local market are frequent, the BCRP does not impose controls on exchange rates or transactions.

Convertibility
Fully Convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✓	✗	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	400 – 600	20 – 50	300 – 400	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	Negligible	N/A	200 – 250	Episodic	N/A	N/A	15 – 25
Onshore max tenor (or typical tenor for spot)	T+3 (max tenor) T+0 (typical)	2 years	2 years	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T+2	N/A	2 years	1 year	N/A	N/A	15 years
Onshore typical deal size (MM USD)	5 – 10	3 – 5	5 – 15	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	20 – 40	Episodic	N/A	N/A	15 – 25
CitiFX Pulse Capabilities (onshore)	✓	✓	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✗	✓	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The fixing rate most commonly used for the Peruvian Sol is the USDPEN interbank average exchange rate published by the Peruvian Central Banco – Banco Central de Reserva del Peru –, also known as "Tipo de Cambio Interbancario Promedio". It is a weighted average of the interbank transactions larger than USD 500,000 executed in the local DATATEC system between 9.00am and 1.30pm. The fixing is published daily by the Central Bank at approximately 2pm local time.

Bloomberg Ticker: {PEN SBSP Curncy} or BCDP command to open Central Banks Bloomberg's site, where the rate can be found.

Rates Market Overview

The Bond Market in Peru has been growing steadily in terms of volume traded. Trading volumes have increased from approximately USD 2bn in 2016 to USD 5bn in 2020, this has allowed bid-ask spreads to narrow. Furthermore, the solid macroeconomic fundamentals of the Peruvian economy have attracted new investors to the market, increasing liquidity along the curve.

In terms of reference rates, there is currently only a fixed rate market. There is no floating rate benchmark and despite recent discussions, there is no clear time frame in which to expect its development.

Regulation

Offshore restrictions

Foreign investors are not subject to any restrictions regarding FX or money market transactions. There are also no restrictions on cash accounts or cash movements for foreign investors. Overdrafts are permitted for foreign investors, but they will require credit facilities to be in place. In order to comply with the foreign exchange settlement process, foreign investors are required to open a local currency account denominated in PEN.

Non-resident restrictions

Onboarding required for clients before they can trade with Citi Peru.

License requirements

No supporting documentation is required for trading FX spot and forwards.

Local regulatory limits for FX exposure

There are some macro-prudential regulations limiting FX exposure for banks and pension funds. These limits can affect FX trading for professional players.

Banks' FX net positioning should be between -10% (net short) of equity and the higher of the following +10% (net long) of equity or the average of the net position as percentage of equity that banks held during the months of December 2019 and May 2020. Also, the Central Bank imposed weekly and monthly limits for derivatives trading, linked to excess reserve requirements.

Pension funds have limits on FX trading: 0.75% of AUM (Asset Under Management) daily and 1.75% of AUM for last 5 days. These limits apply to spot and forward transactions.

Requirements to open a foreign currency account

It is fairly easy for a company to open a USD account in Peru. Requirements will include all legal documentation about the entity and the entities' powers of attorney to be duly registered in the Peruvian public registers and presented to the bank.

Deal Management

Rollover: Possible.

Unwinding: Possible. Not very common, net settled.

Early Maturity: Possible. Gross settled.

Documentation Requirements

Product specific

There are no restrictions on the ownership of foreign currency denominated bank accounts and no volume limits on foreign currency remittance. Additionally, no supporting documentation is required for spot transactions.

Clients usually have to sign a master agreement in order to trade local forwards while for derivatives, a signed ISDA master agreement is required (Local contract ASBANC). For local forwards with tenors shorter than 1 year, master agreements can be exempted.

Trade flows

Exporters and importers are free to trade on the open market and are not required to channel transactions through the Central Bank.

Capital flows/FDI

No local law documentation requirements.

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Subsidiary Funding – Tax Consideration
Tax Summary – Peru

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>30% WHT</td><td>4.99% WHT if borrower is a local bank
4.99% WHT if rate < L+7%, the excess with 30%
30% WHT if related party collateralized ("back-to-back")</td><td>No WHT</td><td>30% WHT on any positive settlement received on a PEN FX-related contract from a non-resident counterparty if the term of the contract is less than 3 calendar days</td><td>W/H Tax on dividends:
• Undistributed profits as of December 31, 2014: 4.1%
• Profit 2015/2016: 6.8%
• Profit 2017 onwards: 5.0%</td></tr>
<tr><td>Deductibility of interests</td><td colspan="2">Interest is deductible if debt generates business income in Peru
Interest is deductible, unless D/E > 3x</td><td>Interest is deductible if the debt is generating business income in Peru</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="3">Deductible if proceeds used for maintaining taxable income in Peru
Not deductible if debt was used to acquire an asset, although FX should be included in taxable cost/depreciation</td><td>Fully deductible if maintained for hedging purposes</td><td>N/A</td></tr>
<tr><td>Other taxes, duties</td><td colspan="5">Finance Transactions Tax (ITF) = 0.005%</td></tr>
<tr><td>Comments</td><td>N/A</td><td>Strict rules governing the bank loans with related party collateral</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

TRINIDAD AND TOBAGO (TTD – Trinidadian Dollar)

Citi in Trinidad and Tobago

Established in 1965, Citi Trinidad and Tobago has provided unique financial solutions to corporations, financial institutions and governments worldwide for nearly 50 years. Citi provides strategic and financial advisory services including acquisitions, mergers, divestitures, financial restructuring, loans, foreign exchange, cash management, underwriting and distributing equity. Citi Trinidad and Tobago has pioneered the development of the financial services industry, introducing new structures and services and has been the recipient of key publications' prestigious awards, including Best Country Corporate/Institutional Bank and Best Debt Bank.

The main clientele are corporates, governments, quasi-governments and investors.

Market Overview

The Central Bank of Trinidad and Tobago is responsible for designing and implementing the national monetary policy. It controls the Trinidadian Dollar under a managed floating regime, allowing the currency to float within a price range against the USD. Additionally, the TTD is non-convertible and has no liquidity outside Trinidad and Tobago. Due to recurrent shortages of USD in the local market, the Central Bank occasionally has to inject liquidity in the foreign exchange market currently done through pre-defined allocations to authorized FX dealers, administratively determining both the price and the volume transacted.

The TTD floated in 1993 and is regulated by the Central Bank of Trinidad and Tobago. The major export of the country is oil and gas and subsequently most US inflows are derived from the Energy sector. On average the country tends to have greater demand for USD than what is supplied, given the high level of imports that the country has.

Most spot transactions are RHS. The forwards market is almost non-existent. The offshore forward market is not well developed and the volume traded is negligible. The onshore forwards market itself is very limited in size and liquidity.

There is no NDF or cross currency market.

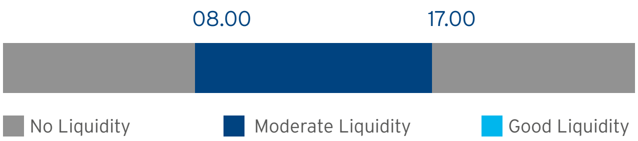
Convertibility
The TTD is traded under a managed floating regime and is not freely convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✗	✗	✗	✗	✗	✓
Onshore volume (MM USD daily)	15 – 20	Negligible	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	Negligible
Onshore max tenor (or typical tenor for spot)	T + 0	90 days typical, max 1 year	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.01 – 1	Episodic	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities (onshore)	✓	✗	✗	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✗	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Liquidity varies based on seasonality of FX conversions, typically on quarter ends when the energy sector converts for tax purposes.



Fixing (incl. ticker)

There is no fixing for the TTD, as the currency is under a managed float regime and floating bands are determined by the Central Bank.

Regulation

Offshore restrictions

There are no exchange controls and no specific requirements imposed on non-residents as it relates to foreign exchange transactions.

Non-resident restrictions

No purpose of payment is required and no specific requirements are imposed on non-residents.

Local onboarding requirements for KYC which the local Financial Obligations act covers.

License requirements

Any financial institution looking to trade onshore has to be licensed by the central bank. Corporates and financial institutions are only allowed to deal with primary dealers.

Ability to open a foreign currency account

It is permissible to open a foreign currency account.

Deal Management

Rollover: Spot and forward rollovers are not allowed. To rollover a forward, the transaction has to be settled and maturing and the client has to rebook a new forward.

Unwinding: To unwind a trade, the client has to break the existing contract and trade on the other side of the trade.

Early Maturity: Early maturity is possible through unwinding the trade.

Documentation Requirements

Product specific

There are no restrictions around transacting FX. The Central Bank has supplied around 30% of USD to be market over the past few years, and effectively determines the TTD/USD rate. Banks are required to provide details of each transaction to the Central Bank, including advance notification on "large" trades.

Trade flows

No local law documentation requirements.

Capital flows/FDI

The Central Bank is not overly supportive of capital flows leaving the country but as such there are no restrictions on capital flows in and out. FDI also has no restrictions. Intra-company loan hedging is also allowed.

Rates

The Central Bank of Trinidad and Tobago's Monetary Policy Committee is responsible for setting the country's policy rate, which guides interest rates in the country. The Central Bank also holds auctions of Government and Central Bank Treasury Bills. Government bonds are mostly done via private placements today. The market is largely buy and hold in nature, with the most common tenors issued being 3 months, 6 months and 1 year. Trading of Bills are over-the-counter while Bond trading is a mix of over-the counter trading and exchange trading.

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Subsidiary Funding – Tax Consideration
Tax Summary – Trinidad and Tobago

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties typically 10-15%	15% WHT • Under certain tax treaties typically 10-15	No WHT	No WHT for regular hedge; 15% if hedging a loan Rate may vary based on jurisdiction and DTA enforced	5% WHT if dividend is paid for parent company 10% WHT if dividend is paid for non-related counterparty
Deductibility of interests	Fully deductible				N/A
Deductibility of FX losses	Deductible on realized losses only				
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

URUGUAY (UYU – Uruguayan Peso)

Citi in Uruguay

Citi has had an established presence in Uruguay for 105 years now (founded in 1915). Citi offers key services including corporate investment banking, which focuses on lending, as well as capital markets, cash management, trade finance, trade working capital and trade services; other financial services include investment solutions tailored to client needs.

Citi has active presence in the public sector and main private companies, as well as non-resident accounts.

Market Overview

The Central Bank of Uruguay (BCU) is an autonomous institution which establishes, regulates and enforces monetary policies. The Uruguayan peso is managed under a free-float regime and is fully convertible. Moreover, the BCU imposes no restrictions on the trading or holding of foreign currencies.

As an independent entity, the Central Bank of Uruguay is responsible for maintaining price stability through its monetary policies in order to foster economic and employment growth. Additionally, it regulates and supervises the financial and payments systems to ensure solvency and systemic soundness of the national financial system. Although it has regulatory and executive power over the financial system, the central bank imposes no restrictions or capital controls over capital inflows and outflows, foreign exchange and deposits in foreign currencies.

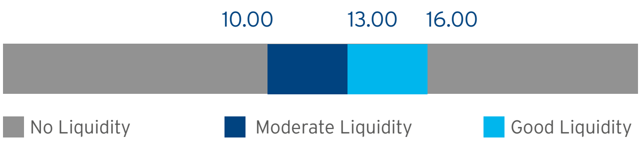
Convertibility

The Central Bank of Uruguay (BCU) manages the peso under a free-float regime and allows free convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✓
Offshore	✓	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	25 – 40	3 – 5	4 – 6	N/A	N/A	N/A	Not traded on a daily basis
Offshore volume (MM USD daily)	5 – 10	N/A	4 – 6	N/A	N/A	N/A	Not traded on a daily basis
Onshore max tenor (or typical tenor for spot)	T + 0	2 years	2 years	N/A	N/A	N/A	17 years (avg 5 y)
Offshore max tenor (or typical tenor for spot)	T + 2	N/A	2 years	N/A	N/A	N/A	17 years (avg 5 y)
Onshore typical deal size (MM USD)	0.1 – 0.5	Transactions are episodic	0.5 – 2	N/A	N/A	N/A	Sporadic Trades
Offshore typical deal size (MM USD)	0.5 – 1	N/A	0.5 – 2	N/A	N/A	N/A	Sporadic Trades
CitiFX Pulse Capabilities (onshore)	✓	✓	✓	✗	✗	✗	✗
CitiFX Pulse Capabilities (offshore)	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The Central Bank publishes the official USD/UYU reference rate (Dolar Fondo) every business day after the market close, at 4pm local time. The Central Bank rate is the weighted average of the daily operations traded during the corresponding business day in the interbank market.

Bloomberg Ticker: {USDUYU CBUY Curncy}

Fixing also available at CB web page www.bcu.gub.uy.

Regulation

Offshore restrictions

Uruguay imposes no controls on foreign exchange transactions and has no restrictions on the inflow and outflow of capital. Local residents can hold deposit accounts in foreign currency onshore and foreign entities are allowed to hold deposit accounts in UYU. Such conditions result in a very active exchange market. The market settlement standard for Uruguayan peso spot transactions is T+0, but Citi can trade up to T+5.

Deliverable forwards are only available onshore while non deliverable forwards are available both onshore and offshore. Onshore NDFs are usually settled on the maturity date. Offshore NDFs are settled 2 business days after the Fixing Date. Both onshore and offshore forwards are fixed at the Central Bank reference rate. Overall there are no regulatory requirements for trading FX.

Overdrafts are permitted in the market; however a credit line must be agreed with the local counterparty.

Non-resident restrictions

There are no regulatory requirements for trading FX.

License requirements

No licensing is required for FX transactions.

Requirements to open a foreign currency account

Foreign currency accounts are allowed in the country.

Deal Management

Rollover: Rollovers are allowed for forwards and NDFs and are typically net settled. Historical rate rollovers are permitted.

Unwinding: Unwinds are permitted and the net settlement is determined in accordance to market conditions at the time of the unwind.

Early Maturity: Early maturity is allowed and it is subject to market conditions.

Documentation Requirements

Product specific

Spot: UYU is a freely convertible currency. There are no regulatory restrictions, legal controls or documentation requirements on the Uruguayan foreign exchange market. Both residents and non-residents are free to trade foreign currencies up to any desired volume. Residents have access to foreign currency deposit accounts and foreigners are allowed to maintain local UYU deposit accounts. There is no regulation or restrictions on dealing LHS vs RHS. Foreign exchanges can be executed through banks, FX brokers and financial institutions. Same day, next day, spot and forward FX contracts are available subject to market liquidity.

Trade flows

No local law documentation requirements.

Capital flows/FDI

There is no specific regulation governing investment by foreign investors. No local law documentation requirements.

Rates

Market Overview

The Central Bank issues daily onshore auctions in UYU, with tenors going from 1 month up to 1 year. In addition, on the local front, the Ministry of Finance publishes a calendar of local issuances each semester, which include UI (inflation linked) and UP (nominal wages linked) treasury notes, with tenors between 2 and 15 years. Both CB bills and Treasury Notes need local custody. Another alternative available to access local rates is via GDNs (Global Depositary Notes). The Ministry of Finance also makes offshore issuances, with Global Bonds in both local currency (UYU or UI) and foreign currency (USD) and tenors going up to 2031 in UYU, 2040 in UI and 2055 in USD. Bonds also have an active secondary market, with an average daily volume of USD 20 – 25 mm onshore and USD 10 – 15 mm offshore and social size is USD 2mm. Uruguay does not have a floating rate, and consequently interest rate swaps and interest rate options are not available.

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Subsidiary Funding – Tax Consideration
Tax Summary – Uruguay

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	12% WHT	12% WHT	No WHT	N/A	N/A
Deductibility of interests	Fully deductible			N/A	N/A
Deductibility of FX losses	Fully deductible			N/A	N/A
Other taxes, duties	1.5% of Capital Tax		0.4% (Central Bank and Pension Funds tax)	N/A	N/A
Comments	N/A	Non deductible for Capital Tax (Impuesto al Patrimonio) unless located in Tax Free Zone (or Public Sector)	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

CEEMEA

- Algeria
- Bahrain
- Bulgaria
- Cameroon
- Croatia
- Czech Republic
- Democratic Republic of Congo
- Egypt
- Gabon
- Hungary
- Israel
- Ivory Coast
- Jordan
- Kazakhstan
- Kenya
- Kuwait
- Lebanon
- Morocco
- Nigeria
- Pakistan
- Poland
- Qatar
- Romania
- Russia
- Saudi Arabia
- Senegal
- South Africa
- Tanzania
- Tunisia
- Turkey
- Uganda
- Ukraine
- United Arab Emirates
- Zambia

ALGERIA (DZD – Algerian Dinar)

Citi in Algeria

Citi is the first foreign bank to be established in Algeria. Citi have had a significant involvement in Algeria for many years in areas such as correspondent banking, trade finance and corporate finance. A representative office was established in Algiers in 1991. Citi was the first foreign institution to apply for and obtain a commercial banking license in 1997.

Market Overview

The Algerian Dinar is managed floating currency allowing the Bank of Algeria to intervene regularly in the FX markets. The DZD is a basket currency which is not officially disclosed but is estimated to be roughly 65% USD 35% EUR.

The Central Bank may intervene to adjust the local currency against the basket on the back of the economy fundamentals. Most trades are done for goods/services import, mainly by public sector and big multinationals. In August 2017, the CBK has issued a new regulation allowing local hedging via deliverable forwards. Swaps and options will be introduced at a later stage. The local forward market is live since January 2018.

IR Market

Citi Algeria acts as primary dealer on the Government Bond Market and is also active on secondary market trading mainly short term maturity bills/bonds. Bond markets is liquid with weekly auctions and an outstanding of USD 12bln. The daily trading volume in the secondary market is around USD 15MM.

Citi is also present in the Money Market on overnight and weekly placements.

Convertibility
DZD is partially convertible. It is commercially convertible for residents and must be related to a commercial transaction (Import of service/goods, dividends for production companies) and backed by documentation.

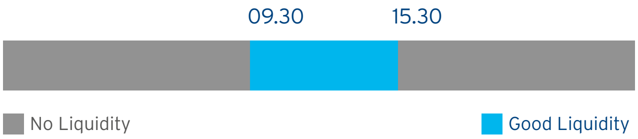
Non-residents can have convertible DZD accounts, funded in FCY. No restrictions when selling FCY.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	100 – 400	5	N/A	N/A	N/A	N/A	Bespoke hedge dependent*
Offshore volume (MM USD daily)	25 – 50	N/A	Sporadic due to lack of liquidity	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	T + 2	N/A	1 year	N/A	N/A	N/A	
Onshore typical deal size (MM USD)	0.5 – 3	0.2	N/A	N/A	N/A	N/A	
Offshore typical deal size (MM USD)	1 – 5	N/A	1 – 5	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*Can also be applied to long term NDFs

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

First fixing is at market opening, and then approximately one every hour during the trading hours until 15:30. Fixing ticker is BA/FX01. The opening CBK fixing is used for the NDF settlement.

Regulation

Offshore restrictions

No pricing restrictions. Offshore entity cannot trade RHS (Buy FCY/Sell DZD). It can only trade LHS (Sell FCY/ Buy DZD) onshore or offshore. Onshore entity cannot trade offshore. Offshore entity can do NDF with another offshore entity as DZD is a non deliverable currency.

Non-resident restrictions

Can trade within the country with a special non-resident convertible account (CEDAC) that can only be credited from abroad. And non-resident companies can sell FCY but cannot buy FCY offshore.

License requirements

Standard KYC process on banks side.

Requirements to open a foreign currency account

- Original Articles of association (Company Foundation documents) or a certified copy. If issued abroad, a notarized & certified copy by Algerian Embassy is needed.
- Original board resolution nominating the legal representative of the company by the Board of Directors or a certified copy. If issued abroad, a notarized & certified copy by the Algerian Embassy is needed.
- Certified copy of Commercial Register of the company or original seen by Citi officer. If Non-resident, a certified copy is needed.
- Commercial Ministry Authorization for Rep office account opening – Certified copy or original seen by Citi officer.
- Certified copy of NIF card/certificate issued by ONS or original seen by Citi officer.
- NIS card/certificate issued by ONS – Copy certified or original seen by Citi officer.
- Original Power of Attorney specifying main account opening with signatories and their powers.
- Identification document of signatories and their legal representative. For Algerian, a copy of a valid ID with original seen by Citi officer. For non-Algerian, a copy of a valid passport and "Carte de Sejour" for residing foreigners.
- Copy of INR account as applicable original seen by Citi officer.
- Any specific authorisation issued by local authorities – original seen by Citi officer.

Deal Management

Rollover: Yes (NDFs and forwards), based on market rates.

Unwinding: N/A.

Early Maturity: N/A.

Documentation Requirements

Product specific

FX spot such as imports/FCY payments or exports/FCY borrowing are commercially linked transactions.
As per local regulation, clients need to provide supporting documents: invoices, credit note, etc.

Trade flows

Trade flow have to be supported by documentation before FX execution.

Capital flows/FDI

Swift needed by the bank with full details of the transactions (amount, shareholders etc.).

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Source: Relevant legislation, publicly available sources.

BAHRAIN (BHD – Bahraini Dinar)

Citi in Bahrain

Citi is present in Bahrain since 1969 and has a client portfolio consisting of multinational, SMEs and top tier local clients.

Market Overview

The local currency is pegged to USD — Central Bank has a band for retail clients (0.376 — 0.378) and offers a spot USDBHD window for retail transactions. Majority of the local volume is in GCC currencies — USDSAR; USDBHD; USDAED. G10 main currencies are EUR, JPY and GBP. No restrictions on FX hedging.

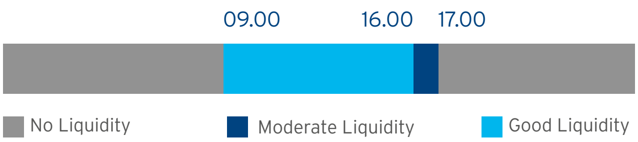
No market in hedging for interest rates in BHD.

Convertibility
Currency is fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✗	✗	✓
Offshore	✓	✓	✗	✓	✗	✗	✓
Onshore volume (MM USD daily)	25 – 50	50 – 75	N/A	Limited as currency is pegged to USD. Allowed from a regulation perspective	N/A	N/A	Allowed but limited as currency pegged to USD
Offshore volume (MM USD daily)	50 – 75	50 – 75	N/A	No demand	N/A	N/A	Limited liquidity, fix-fix quotes available on RFQ basis
Onshore max tenor (or typical tenor for spot)	T + 2	2 years	N/A	No demand	N/A	N/A	No demand
Offshore max tenor (or typical tenor for spot)	T + 2	2 year	N/A	No demand	N/A	N/A	2 year
Onshore typical deal size (MM USD)	10 – 25	10 – 10	N/A	No demand	N/A	N/A	No demand
Offshore typical deal size (MM USD)	10 – 25	10 – 25	N/A	No demand	N/A	N/A	Limited liquidity, fix-fix quotes available on RFQ basis
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No spot fixing.

Regulation

Offshore restrictions

No specific restrictions. Onshore entity (e.g. resident corporate) can transact FX with an offshore entity (e.g. bank) on a reverse solicitation basis.

Non-resident restrictions

None. Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

None.

Requirements to open a foreign currency account

Valid residency, passport and a proof of address is required for local residents.

Deal Management

Rollover: Permitted.

Unwinding: Permitted.

Early Maturity: Permitted.

Documentation Requirements

Product specific

No underlying docs required, only client settlement instructions.

Trade flows

No local law documentation requirements.

Capital flows/FDI

None.

Citibank House
Seef District
Manama, Bahrain

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Source: Relevant legislation, publicly available sources.

BULGARIA (BGN – Bulgarian Lev)

Citi in Bulgaria

Citi has been present in the country since 1998, operating as a representative office until 2000 when it became a fully operational branch. Citi is a corporate and investment bank in Bulgaria, serving its global clients with its presence in Bulgaria, and select local corporates, as well as the public sector.

Market Overview

The Bulgarian lev is pegged to the EUR at rate 1.95583 under a currency board arrangement. The peg has been in place since 1997. The main currency pair traded is EURBGN as the EU is the country's key economic partner and transactions are made for business purposes primarily. Onshore hedges, cash flow and balance sheet, are permissible with no restrictions. All EU-wide derivatives trading rules and regulations apply.

No IRS market available in Bulgaria. The discontinuation of Sofibor index in 2017 has made it impossible for market participants to trade IRS with each other.

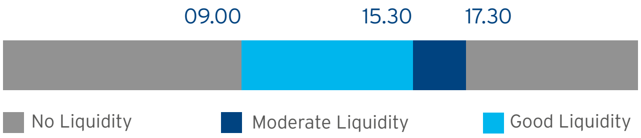
Convertibility

The Central Bank is obligated to buy and sell onshore with no limitations EUR against BGN (in spot transactions with max. 0.5% variance from the official rate). The Central Bank quotes up to spot tenors and does not apply spread to commercial banks based in the country.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✗	✗	✗	✗	✗
Volume (MM USD daily)	750 – 1250	30 – 50	N/A	N/A	N/A	N/A	N/A
Max tenor (or typical tenor for spot)	T+2	2 years	N/A	N/A	N/A	N/A	N/A
Typical deal size (MM USD)	5 – 10	3 – 5	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

The Central Bank publishes foreign exchange rates at 6.00 pm local time on their website.

Bloomberg: USDBGN BNBK Curncy.

Regulation

Offshore restrictions

There are no legal restrictions for an onshore entity to transact with an offshore entity. Trading BGN offshore is uncommon due to operational/settlement concerns and currency board provisions, i.e. Central Bank trades EURBGN with local banks. Nevertheless, BGN offshore market exists. Onshore entity is permitted to transact FX with an offshore entity.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity.

License requirements

There are no specific license requirements. Bulgaria follows EU-wide regulations, which it also transposes into local law.

Requirements to open a foreign currency account

No specific requirements with respect to opening and operating with a foreign currency account. Local currency account can be credited/debited with local and foreign currency and vice versa.

Deal Management

Rollover: Yes, no specific guidelines for settlement, as agreed between counterparties.

Unwinding: Yes, no specific guidelines for settlement, as agreed between counterparties.

Early Maturity: Yes, no specific guidelines for settlement, as agreed between counterparties.

Documentation Requirements

Product specific

No requirements for individual asset classes.
No documentation required for up to spot. For transactions beyond spot, standard EU-wide documentation is required – local law Treasury master agreement or UK-law ISDA.

Trade flows

Any person initiating a cross-border transfer or payment to a third country, the amount of which is or exceeds BGN 30,000 or its equivalent in other foreign currency, shall submit to the payment service provider information and documents, as provided for in a joint ordinance of the Central Bank and the Ministry of Finance.

Capital flows/FDI

No local law documentation requirements.

Additional Comments

Bulgarian Central Bank closely follows EU-wide regulations and directives and ECB's policies.

Treasury Master Agreement; UK-law ISDA is enforceable.

As a rule, Citi has cash accounts opened for corporate clients. For other banks and professional counterparties with no account, Citi trades based on settlement instruction.

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Source: Relevant legislation, publicly available sources.

CAMEROON (XAF – Central African CFA Franc)

Citi in Cameroon

Citi was granted a commercial banking license in 1997 to operate as a branch. Citi commenced its operations in Cameroon in the business city of Douala in June 1998, serving corporate clients. In February 2002, a second branch opened in the capital city of Yaoundé to better serve our clients and particularly the public sector and international organizations. After nine years of maintaining a presence as a branch of the only U.S. bank operating in Cameroon, we converted in 2007 to a fully-owned subsidiary.

We provide a wide range of banking services, including trade and cash management, treasury and electronic banking to international and top tier local corporations, financial institutions, the government and public sector entities.

Market Overview

XAF is pegged to the EUR at EURXAF 655.957. Exchange rates for other currencies are derived from EURXAF. Main currency pairs: EURXAF; USDXAF. No proprietary trading activity within the region. Small trading activity done on the back of customer flows.

Government securities are tradable with low level of liquidity in the secondary market, though there is continuous push from the Central Bank to further improve liquidity. There is however no specific benchmark for the interest rate market.

Convertibility
Convertible with restrictions subject to local exchange control regulation, FCY to LCY is free while LCY to FCY is subject to supporting documentation in line with the local exchange regulation.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✓	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	10 – 30	1 – 5	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	1 – 5	1 – 2	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	9 months	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	9 months	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0. – 3	0.5 – 1	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	0.5 – 3	0.5 – 1	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

There is no local fixing. EURXAF is pegged at 655.957. It is a common practice to use ECB fixing to cross XAF and others currencies (Reuters reference ECBREF=).

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank). The overbought limit cap for every currency is 15% of the total capital with the global cap at 45%.

Offshore entity can trade local currency with other offshore entities, though this is not encouraged by the central bank.

Offshore entities are allowed to sell FCY to support local activity. Purchase of FCY by offshore is subject to Central Bank approval and justification of underlying economic value.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is not permitted to transact FX with an onshore entity (e.g. onshore bank). Non-resident can trade FX with onshore entity only when they are looking to buy XAF for their specific needs.

Residents, unlike non-residents, are not allowed to hold a foreign currency account in CEMAC. However, the minister in charge of finance and the Bank of Central African States (the BEAC) may authorize residents to hold a foreign currency account, provided the account is not credited with FCFA or receives transfers from an FCFA account.

License requirements

The banking license provide rights to undertake all the listed products (Spot, FWD, NDF, Swap, Options) as long as it is done in accordance with EXCON Regulation.

Requirements to open a foreign currency account

Subject to Ministry of Finance and Central Bank approval for residents and FCY account cannot be credited with local currency. Allowed for non-residents and the balance of FCY account cannot be negative.

Deal Management

Rollover: Yes with supporting documents and valid reason. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds flow for FX spot.

Unwinding: Yes with supporting documents and valid reason. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds flow for FX spot.

Early Maturity: Yes with supporting documents and valid reason. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds flow for FX spot.

Documentation Requirements

Product specific

Up to FX Spot: Exchange control regulated, convertibility subject to appropriate underlying documentation. Outright Forward FX: Done with selective names and subject to proper documentation. Maximum tenor is 9 months. Request need to be submitted at Central Bank in order to check the propose of the forward/hedging.

Trade flows

Remittance of XAF out of the CEMAC is subject to required set of documents in compliance with the Local Exchange Control Regulation.

Capital flows/FDI

Letter of Credit as per local EXCON regulation. No restriction for FDI.

Additional Comments

Transfers of funds from CEMAC are subject to administrative fees charged by local banks. These fees are determined by the bank but must not exceed 0.25% of the funds transferred within CEMAC and 0.50% of funds transferred outside CEMAC "not including VAT and other specific tax". Overseas fund transfers exceeding 5,000,000 FCFA (~USD 10,000) must be carried out through authorized intermediaries, for instance, approved local banks (the Authorized Intermediaries).

Onshore entity (Resident Corporates) to hedge risk based on only effective commercial transactions. No speculative hedging is allowed.

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Source: Relevant legislation, publicly available sources.

CROATIA (HRK – Croatian Kuna)

Citi in Croatia

Croatia does not have Citi's presence outside of Hungary.

Market Overview

The Croatian National Bank implements the policy of managed floating exchange rate. The value of domestic currency is not fixed against another foreign currency or a basket of foreign currencies but reflects development of the market. The nominal EURHRK exchange rate is stabilized by occasional foreign exchange intervention but developments on the foreign exchange market but developments on the foreign exchange market are primarily influenced by international capital flow such as payment related to import and export, inflow of foreign exchange related to foreign borrowing, repayment of external debt and inflow of EU funds.

Interest rate derivative market in HRK is not existing. ZIBOR is the main benchmark rate in Croatia.

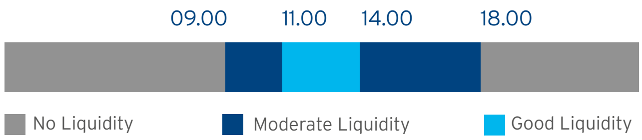
Convertibility

Fully liberalized, convertible currency. There are no currency restrictions in place and regulatory environment is in line with EU requirements. The Croatian National Bank does not predetermine the upper and the lower limit of the exchange rate of HRK against EUR which it would defend (the upper and lower intervention point).

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✗	✗	✗	✗	✗
Volume (MM USD daily)	350 – 450	25 – 250	N/A	N/A	N/A	N/A	N/A
Max tenor (or typical tenor for spot)	T+2	Typically 1 year, occasionally 2 years	N/A	N/A	N/A	N/A	N/A
Typical deal size (MM USD)	1 – 10	1 – 20	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

Central Bank fixing at 12pm daily. EURHRKFIX.

Regulation

Offshore restrictions

Croatian residents have reporting obligation to the Croatian Central Bank on offshore accounts.

Non-resident restrictions

No restrictions.

License requirements

In the case of passported entities, they may freely solicit, meet customers and/or sign agreements with customers in Croatia with respect to passported services.

If a foreign company wants to offer services permanently in its own name in Croatia, it would need to register at least one of its branches in Croatia.

Requirements to open a foreign currency account

There are no special requirements.

Deal Management

Rollover: Permitted gross/net settlement. Based on Citi's policy, no historical rate rollover is allowed.

Unwinding: Permitted at prevailing market rate.

Early Maturity: Roll back/Roll FWD are permitted at market rate.

Documentation Requirements

Product specific

Documentation is subject to Citi requirements. I.e. if trade is performed by Citibank Europe plc, payment account agreement, ISDA or ISDA equivalent agreement is required for spot trading. ISDA or equivalent agreement is required for derivatives. EMIR and MIFID regulatory requirements are to be met, i.e. requirement to obtain LEI and requirements on margining for FCs and NFC+s.

Trade flows

No export/import related documentation is needed.

Capital flows/FDI

No local law documentation requirements.

Citi has no local presence in Croatia.
Corporate client coverage:

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Source: Relevant legislation, publicly available sources.

CZECH REPUBLIC (CZK – Czech Koruna)

Citi in Czech Republic

Citi presence since 1991 – provides service to corporate and institutional clients, (large local, global, SME and FI clients).

Market Overview

Main volume comes from Corporates/Government and Public Sector.

IR market
CZK IRS and Bond market highly functional/tradable with largely uninterrupted liquidity available.

Main benchmark rate – PRIBOR

Convertibility
Fully convertible, no restrictions.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✓	✓	✓	✓	✓
Volume (MM USD daily)	250 – 750	500 – 1750	On demand	25 – 100	100 – 300	On demand	100 – 300
Max tenor (or typical tenor for spot)	T+2	10 years	1 year	3 years	20 years	5 years (10y maturity for swaption underlying swap)	15 years
Typical deal size (MM USD)	5 – 25	5 – 20	1 – 5	5 – 25	10 – 20	10 – 20	15 – 50
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

Daily 14.15 CET time for the snapshot of currencies. Most important EURCZK CNB Currency and USDCZK CNB Currency Bloomberg ticker.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is permitted to transact FX with an offshore entity (e.g. offshore bank). No local restrictions/regulations. No trading allowances. CZK is fully convertible. No constraints, no restrictions there.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank). No permission needed for non-residents transactions.

No special requirements.

License requirements

All clients dealing OTC derivatives must have an active LEI number (Legal entity identifier) requested by European ESMA regulator. Outright Forward FX: FX FWDS, SWAPS and other derivatives – Treasury Master agreement/ISDA has to be signed between counterparties.

Requirements to open a foreign currency account

No special requirements to open FCY account, FCY account can be credited/debited with local currency.

Deal Management

Rollover: All types are permitted Mark-to-Market. Can be either Net or Gross based on client's preference.

Unwinding: All types are permitted Mark-to-Market. Can be either Net or Gross based on client's preference.

Early Maturity: All types are permitted Mark-to-Market. Can be either Net or Gross based on client's preference.

Documentation Requirements

Product specific

Up to FX Spot: No documentation required. Outright Forward FX: FX FWDS, SWAPS and other derivatives. Treasury Master agreement/ISDA has to be signed between counterparties.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Additional Comments

Under Act No. 240/2000 Coll., the Crisis Act, as amended, if a state of emergency has been declared, the Czech Government may adopt certain measures such as the suspension of any payments from the Czech Republic abroad or from abroad to the Czech Republic for the period of such state of emergency. Other measures include suspension of payment in other currency than CZK and suspension of payments to accounts owned by foreign entities.

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Subsidiary Funding – Tax Consideration
Tax Summary – Czech Republic

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties can be reduced Increased 35% WHT to tax payers that are NOT tax residents in EU Member state /state of the European Economic Area (EEA), nor country that concluded an effective DTA/an effective bilateral or multilateral tax information exchange agreement (TIEA) with the Czech Republic. 35% WHT applies to undisclosed recipients		No WHT	15% WHT on cash settlements classified as income from investment instruments (tax base should not include the value of the underlying asset) Under DTAs may be reduced 35% WHT applies to tax payers that are NOT tax residents in EU MS /state of the EEA, nor country that concluded an effective DTAs/an effective bilateral or multilateral TIEA with the Czech Republic. 35% WHT applies to undisclosed recipients	15% WHT on dividends Under certain tax treaties may be reduced 35% WHT on dividends to tax payers that are not tax residents in EU MS/state of the EEA, nor country that concluded an effective DTAs/an effective bilateral or multilateral TIEA with the Czech Republic. 35% WHT applies to undisclosed recipients
Deductibility of interests	Generally deductible if incurred to assure, generate or maintain taxable income and only if the respective expense relates in nature and timing to the in respective taxation period. Thin cap rules: Deductibility test on financial on related party loans (interest plus other related costs, e.g. bank fees). Financial expenses above Debt-to-Equity ratio of 4:1 (6:1 for selected FIs) is non-deductible. Financial expenses incurred on profit-participating loans are tax non-deductible. EU ATAD interest stripping rules on top of thin cap rules (extra interest expenses may be disallowed). Net borrowing costs tax deductible only up to higher of either 30% tax adjusted EBITDA, or CZK 80 mm p.a. (safe harbour clause).* Any tax non-deductible interest expense due to these rules may be carried forward for indefinite period and used as deduction in years where threshold not reached.			Revaluation difference arising from the derivatives should be taxable/tax deductible	Tax non-deductible
Deductibility of FX losses	Both realised and unrealized FX losses are tax-deductible (case-by-case review is recommended)				
Other taxes, duties	Neither stamp duties nor transfer taxes apply				
Comments	N/A	N/A	N/A	N/A	N/A

** Borrowing costs include various interest-like expenses, e.g. deemed interest expenses included in hedging instruments and in financial leasing costs, interest capitalised in value of assets and subsequently included in tax depreciation, and FX costs related to interest.*

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Source: Relevant legislation, publicly available sources.

DEMOCRATIC REPUBLIC OF CONGO
(CDF – Congolese Franc)

Citi in DRC

Citi was established in the Democratic Republic of Congo (DRC) in 1971, making it the first international bank and the only U.S. bank to open in the country. Citi provides a wide range of banking services to government entities, non-governmental organizations, local subsidiaries of global multinationals, local corporates and microfinance institutions. Citi is the primary bank of choice for multinational corporations and other international organizations.

Citi in DRC is recognized as a pioneer as well as a market leader in the provision of treasury and trade solutions, tailor-made cash management solutions, foreign exchange (spot 7 forward), as well as being the only bank to provide an Integrated Electronic Banking platform (CitiDirect) for multi-currency payments and account management and real-time online trading solutions to clients via our e-Platform Citi Fx Pulse.

Market Overview

Floating. Central Bank intervene to smooth out volatility when required. Main volumes are coming from Corporates/ Government and Public Sector. Most trades are done for business reasons.

The IR market isn't an active market in the DRC.

Convertibility
Convertible only onshore with no restrictions.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✓	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	0.5 – 2	Marginal	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	Marginal	Marginal	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.25 – 1	0.25 – 1	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	0.25 – 1	0.25 – 1	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

No fixing available.

Regulation

Offshore restrictions

There is no restriction for a local entity to trade/deal with an offshore entity.

There is no restriction for an offshore entity to trade local currency with other offshore entities.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

License is not required for spot dealing.

Requirements to open a foreign currency account

There is no requirement to open foreign currency account.

Deal Management

Rollover: Yes. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds for FX spot.

Unwinding: Yes. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds for FX spot.

Early Maturity: Yes. Settlement: Mark-to-mark at prevailing market rate or fixing of the day. Gross-settled/full-funds for FX spot.

Documentation Requirements

Product specific

No local law documentation requirements.

Trade flows

A license may be required depending on the nature of the trade (importation/exportation of goods/services).

Capital flows/FDI

A license may be required for capital flows, FDI and repatriation of funds.

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Source: Relevant legislation, publicly available sources.

EGYPT (EGP – Egyptian Pound)

Citi in Egypt

Citibank's first entry into Egypt was in 1955, opening the first branch of a US bank in the Middle East. Following the nationalization of the late 50's, Citi re-introduced itself in 1975, through its branch in Cairo, with a license to operate in foreign currency. In 1993, Citibank Egypt received its license to operate in local currency, which allowed for the gradual development of a full-fledged Corporate and Investment Banking business that caters to corporate customers and financial institutions, providing the full range of Treasury and Trade Services, Corporate Finance and Markets solutions.

Citi sold the Consumer Banking business to Commercial International Bank in 2015 in line with its global strategy.

The bank serves multinationals, global investor clients, Government of Egypt, and local/Public Sector clients and fully supports their banking, investment and credit requirements.

Market Overview*

- Nov 2016 IMF 3Year $12B reform program.
- Reform included floating of EGP, removal of energy subsidies, amending civil service law and introduction of VAT.
- EGP witnessed one time depreciation of more than 100% and then appreciated back to current $1= EGP15.7.
- Foreign reserves moved from barely 3 months import coverage to more than 7 months import coverage.
- FX Market became very liquid, up from zero daily volume to $200MM average daily volume with peak of more than $1B in one day.
- Inflation improved from 33% in 2017 to 5.4% in 2020.
- Interest rates hikes of 700bps in 2017-18 followed by 1000bps cuts in 2019-2020.
- Rating agencies improved Egypt rating from B- with a negative outlook to be B with stable outlook after Covid-19.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	200 – 300	10 – 40	N/A	N/A	N/A	N/A	
Offshore volume (MM USD daily)	N/A	N/A	20 – 30	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	N/A	N/A	1 year	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore typical deal size (MM USD)	1 – 20	1 – 5	N/A	N/A	N/A	N/A	
Offshore typical deal size (MM USD)	N/A	N/A	2 – 5	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

*Can also be applied to long term NDFs
Source: Citi indicative information

Convertibility

Foreign Exchange transactions (RHS) in Egypt must be backed by genuine commercial transaction. Underlying documentation (trade related, dividend payments, repatriation of funds) have to be presented prior to execution.

Payments between Egyptian entities in Egypt have to be done in local currency, unless under certain non-exhaustive exceptions specified in the banking law apply.

Capital inflows and outflows transactions are considered commercial transactions.

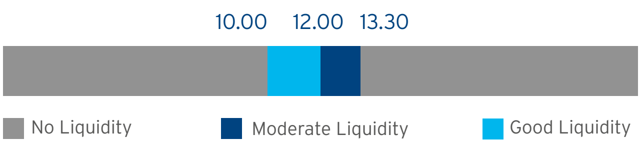
NDF is not allowed by the regulator.

Hedging

Hedging: only available tool is FX forwards (LHS).

LHS Deliverable FX forwards are only allowed for export proceeds on case by case basis (Central Bank approval), documentation to be provided before execution.

Market opening hours and liquidity during the day**



Fixing (incl. ticker)

FEMF1 page on Reuters 11.00, 12.30 and 14.00.

This is an EGP FX fixing rate published independently by the Central Bank of Egypt on Reuters three times a day, and the final Fix is published at 2 pm Cairo Local time.

Regulation

Offshore restrictions

EGP is not traded offshore, and cannot be lent to offshore entities.

Non-resident restrictions

Non-resident entities can open EGP account only in case there is an underlying project operating in Egypt.

License requirements

FX Forwards/Derivatives: Specific authorization in the commercial register to deal in these products.

Requirements to open a foreign currency account

Legal documentation, account opening documentation, and instruction specifying the currency sub account required.

Deal Management

Rollover: Permitted subject to product and risk approval, in addition to regulatory approval (if required).

Unwinding: Permitted subject to product and risk approval.

Early Maturity: Permitted subject to product and risk approval.

Documentation Requirements

Product specific

For foreign exchange Spot and Forward transactions, the underlying documentation proving the commercial transaction is required (trade related documents, invoices, dividend payments, repatriation of funds to headquarters).

Trade flows

Trade related documents for form 4, Letter of Credit, IDCs such as invoices, bill of lading, payment instructions.

Capital flows/FDI

Capital Inflows: No restriction on capital inflows, but as per the regulations, the received foreign currency has to be converted into EGP, should the company's capital be in EGP.

Capital Outflows: Foreign exchange transactions are subject to availability of foreign currency and providing the required documentation requested by any bank.

Additional Comments

* The Foreign Exchange Market and the regulations governing the market in Egypt are dynamic, please refer to the team for any inquiries or for a market update.

** Official market hours is from 10.00 AM to 2:00 PM CLT.

Markets Address:
5/7 Star Capital Tower
Gezeret el Arab Mohandessein Giza Egypt

FX Sales Contact: +202 2322 6722 / +202 23226771

Subsidiary Funding – Tax Consideration
Tax Summary – Egypt

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td colspan="2">Loans above 3 year maturity – No WHT
Loans below 3 year maturity – 20% WHT
• Under certain tax treaties reduction below 20% possible on country-by-country basis</td><td>No WHT</td><td>N/A</td><td>10% WHT on dividends paid to non-resident corporate shareholders can be reduced under certain tax treaties
Covid-19 proposal:
5% WHT on dividend distributions made by locally listed company, to both residents and non-residents</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">Deductible, provided certain conditions are met:
• Interest rate not exceeding 2x discount rate determined by CB of Egypt at the start of year
• Thin Capitalization rule formula: D/E > 4x applies
Transfer pricing, i.e. arms length rule</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="5">Unrealized FX losses should not be treated as deductible cost in the annual corporate income tax and should be added to the taxable amount
Realized FX losses are accepted and should be treated as deductible cost in the annual Corporate income tax</td></tr>
<tr><td>Other taxes, duties</td><td>If loan received from parent or holding company, it is not subject to VAT
If loan received from inter-company (affiliate), sister company, it should be subject to VAT reverse charges (in and out).
No effect on cashflow for the company if the company are selling goods/services subject to VAT in Egypt</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

GABON (XAF – Central African CFA Franc)

Citi in Gabon

Citibank established its presence in Gabon in 1976. There are 2 branches: Libreville branch in the capital of the City and Port-Gentil Branch which was opened 5 years later in the economic center where oil activities are concentrated.

Citibank in Gabon is an investment bank focusing on corporates clients (GSG, NGO,TTLC, Public Sector, Banks). No retail banking and the bank remain the only foreign bank in the country.

Market Overview

The CFA franc (which is pegged to the Euro at 1€=655.957XAF) fluctuates against the US dollar in line with the Euro/Dollar exchange rate.Exchange rates for other currencies derived from EURXAF. Main currency pairs are EURXAF and USDXAF. There is Regional FX Spot Market for the 6 countries sharing XAF as common currency. A revised Exchange control regulation was signed in December 2018 by all the Ministry of Finance of the Central Africa region.

Over the past few years one of the main objectives of the Central Bank (BEAC) has been to increase FX reserves held at the Banque de France from 2.5 months coverage of imports in 2017 to 5 months as a target in 2021.

Gabon is a member of the Economic and Monetary Community of Central Africa (CEMAC). In CEMAC, interest rates decisions are taken by the Bank of Central African States (BEAC)' Monetary Policy Committee.

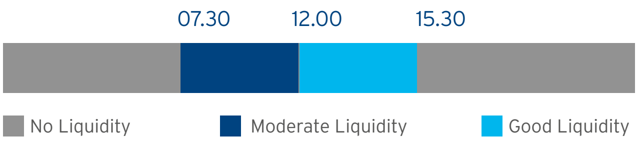
Convertibility

There is Regional FX Spot Market for the 6 countries sharing XAF as common currency. The Exchange controls are regulated, and XAF convertibility even if guaranteed, is subject to appropriate underlying documentation. Banks can execute eligible outgoing transactions with their current needs (30% of incoming funds they are allowed to keep) and need to submit requests to Central Bank in order to get FX for all the other outgoing transactions.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✓	✗	✓	✗	✗	✗	✗
Onshore volume (MM USD daily)	20 – 50	1 – 10	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	1 – 15	1 – 10	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	9 months	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	9 months	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	1 – 5	0.5 – 3	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	0.5 – 3	0.5 – 3	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No Fixing done.

Regulation

Transfer commission rate to be applied by banks on transfer transaction outside the CEMAC zone may not exceed 1% of the amount of the transaction. It does not integrate the commission of the Central Bank.

This transfer commission is capped at 0.5% for transfers of work income e. g: wages, fees, perdiem, allowances.

The exchange rate of other currencies for transactions may not be less or more than 3% of the daily fixed rate communicated by BEAC.

Incoming funds: no restriction

- Spot transaction.
- Timelines: Instant.
- Regulatory directives: Banks must cede minimum 70% of what they receive from their clients i.e. export proceeds, services, cash call, grants etc. to the BEAC and are allowed to keep the 30% in order to execute client's transaction to be processed in maximum 3 days.
- As for Foreign Currency loan, 100% of the proceeds must be declared and cede to Central Bank (BEAC) in order for the Central Bank to approve the subsequent payment schedule at the time of reimbursement.

Outgoing funds: Allowed but subject to appropriate underlying documentation

Spot transaction

Supporting documentation required.

Forward and Derivatives

Forwards and Derivatives market is limited and transactions are subject to exchange control regulation (e.g. transaction should always be supported by a commercial or financial transaction).

Foreign Currency accounts

FCY account is subject to Central Bank approval. Client submits a motivated request indicating purpose of the account with adequate supporting documentation which can evidence the need for FCY account onshore or offshore.

- If client is a Resident, account opening is subject to approval by BEAC for 2-year maximum renewable. If client is a non-Resident, account opening is free. However, banks need to inform BEAC not more than 30-day after the opening of a Foreign Currency.

License requirements

No. Client needs to be a Citi Client (due diligence performed).

Requirements to open a foreign currency account

Subject to Central Bank Approval for residents and FCY account cannot be credited with local currency. Approval is granted for 2 years and need to be renewed 45 days before expiration. Allowed for non-residents and the balance of FCY account cannot be negative.

Deal Management

Rollover: N/A.

Unwinding: N/A.

Early Maturity: N/A.

Documentation Requirements

Product specific

Up to FX Spot: Exchange control regulated, convertibility subject to appropriate underlying documentation for equivalent XAF amount >= to 1,000,000 per month. For equivalent amount below this limit no documentation is required to attach with the transfer request. Forwards and Derivatives market is limited and transactions are subject to exchange control regulation (e.g., transaction should always be supported by a commercial or financial transaction).

Trade flows

Remittance of XAF out of the CEMAC is subject to required set of documentation in compliance with the local exchange control regulation.

Capital flows/FDI

Client need to open Capital injection account.
An attestation is delivered in order to complete administrative process.

Account can be opened in FCY or LCY.

Citibank Gabon N.A.
810 Boulevard Quaben & Rue Kringe
B.P 3940 Libreville (Gabon)

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Source: Relevant legislation, publicly available sources.

HUNGARY (HUF – Hungarian Forint)

Citi in Hungary

Citi has been present in Hungary since 1985, being at the heart of innovation in the Hungarian banking industry.

Citi's Corporate and Institutional Clients Group and the Commercial Banking businesses together provide services to large and small and medium-sized corporations, local subsidiaries of multinational clients, financial institutions and public sector clients.

Citi established a Service Center in Hungary in 2005, from where Citi provides Technology, Operations, Finance and Risk & Control services for Citi entities in 97 countries globally.

Market Overview

Fully liberalised, liquid FX market. FX rate is subject to market conditions. The National Bank of Hungary is following an inflation targeting monetary policy.

Main currency pairs traded: EURHUF, USDHUF, PLNHUF.

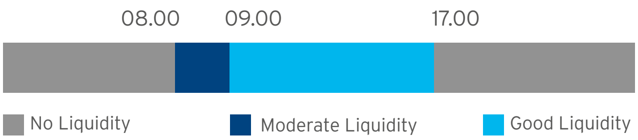
HUF IR derivative market is freely tradable with fair liquidity. Up to 12m the market is trading fx swaps or FRAs, while 1y-10y it is mainly IRS. Longest tenor available is 10y both in IRS and XCCy swaps.

Convertibility
Fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✗	✓	✓	✓	✓
Volume (MM USD daily)	300 – 700	500 – 1,500	N/A	100 – 300	50 – 100	On demand	50 – 100
Max tenor (or typical tenor for spot)	T + 2	2 years	N/A	2 years	10y	5 years (10y maturity for swaption underlying swap)	10 – 15y
Typical deal size (MM USD)	1 – 5	1 – 5	N/A	1 – 5	5 – 10	N/A	10 – 30
CitiFX Pulse Capabilities	✓	✓	✗	✓	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

National Bank Fixing populated i.e. on HUFE Reuters page. Not tradeable but used for accounting purposes similarly to ECB fixing.

Regulation

Offshore restrictions

No restriction.

Non-resident restrictions

No restriction.

License requirements

Local or EU passported license is required for providing financial and/or investment services.

Requirements to open a foreign currency account

No restriction.

Deal Management

Rollover: Permitted gross/net settlement. Based on Citi's policy no historical rate rollover.

Unwinding: Permitted at prevailing market rate.

Early Maturity: Roll back/Roll FWD are permitted at market rate.

Please note that certain restrictions apply for Retail clients under MiFID rules.

Documentation Requirements

Product specific

If trade is performed by Citibank Europe plc, payment agreement, phone or online trading agreement is required for spot trading. ISDA or equivalent agreement is required for derivatives.

EMIR and MiFID regulatory requirements are to be met, i.e. requirement to obtain LEI, margining requirement on margining for FCs and NFC+s or Means of Payment declaration for Retail clients.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Citibank Europe plc Hungarian Branch Office
1051 Budapest, Szabadság
tér 7. Bank Center

FX Sales Contact: +36 1374 5582

Subsidiary Funding – Tax Consideration
Tax Summary – Hungary

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	No WHT			N/A	N/A
Deductibility of interests	Generally deductible, if the following conditions are met: • Interest is incurred in company's profit generating activity • Transfer pricing principles satisfied New EU ATAD interest stripping rules: non-deductible interest calculated using instead of the Debt-to-Equity ratio. Net borrowing costs tax deductible only up to higher of either 30% EBITDA or HUF 939.81 mm p.a. (safe harbour clause) Grandfathering rule: For loans agreed prior to 17 June 2016, the old thin capitalization rules of D/E 3x* can be used, if there no increase in amount of debt or maturity date is not prolonged			Generally deductible	N/A
Deductibility of FX losses	Generally deductible Unrealised FX gains may be deferred				
Other taxes, duties	Payment transactions decreasing the balance of the account holder kept with a resident bank are subject to financial transaction tax with certain exceptions The FTT is 0.3% of the transaction value capped at HUF 6,000 (c.USD 20) and 0.6% with no cap in case of cash transactions Examples for exempt transactions: Payments between accounts of the same account holder, accounts of financial institutions and investment service providers, transactions of restricted purpose accounts, payments related group financing etc.				
Comments	N/A	N/A	N/A	N/A	N/A

** Under the old thin capitalization rules which can be applied under the grandfathering rule, when calculating the D/E ratio, debts from financial institutions shall be disregarded and the amount of liabilities could be decreased by the amount of cash receivables (to exempt back-to-back financing from this rule)*

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Source: Relevant legislation, publicly available sources.

ISRAEL (ILS – Israeli New Shekel)

Citi in Israel

Citi boasts the largest presence of any foreign financial institution in Israel, and offers corporate and investment banking services to leading Israeli corporations and institutions and global corporations operating in Israel.

Citi Israel has the largest Markets division of all foreign banks in Israel. Citi is a primary dealer for Israeli government bonds, a licensed market maker for Shekel currency trading and trades all Shekel derivative products.

It is the natural home for international funds who wish to trade Shekel related products due to Citi's custody offerings and its ability to source liquidity from both large local corporate and institutional clients as well as other international players. Citi offers its local clients a fully-fledged suite of products to service their needs including currency, fixed income, equity and commodities and their derivatives.

Citi was one of the first banks to open a FinTech Innovation Lab in Tel Aviv with the aim to identify, create and develop opportunities for Fintech innovation, allowing Citi to bring cutting-edge tools to the financial markets.

Citi Israel provides services to financial institutions, global organisations and qualified corporate clients.

Market Overview

Free floating. Main Currency Pairs: USDILS; EURILS; EURUSD; GBPUSD; USDJPY. Central bank actively intervening in the market through Banks/Brokers, Main volumes are coming from Corporates, Institutional clients and Mutual Funds Managers.

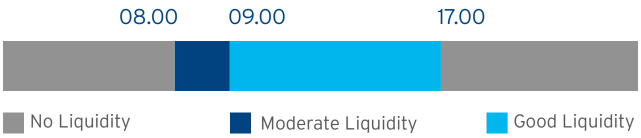
Citi offers hedging solutions via Interest Rate Swaps as well as Government Bonds and XCCY transactions. Provides full liquidity up to 30 years, using the Telbor interest rate fixing. Citi is also a primary dealer in the Government Bond market, consistently maintaining #1 ranking in providing liquidity.

Convertibility
Full convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✗	✓	✓	✓	✓
Volume (MM USD daily)	1250 – 1750	750 – 1250	N/A	100 – 300	300-500	N/A	50 – 100
Max tenor (or typical tenor for spot)	T+2	2 years	N/A	3 years	30y	5 years (10y maturity for swaption underlying swap)	30 years
Typical deal size (MM USD)	25 – 50	50 – 100	N/A	20 – 40	50 – 75	5 – 20	50 – 100
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

Main fixing rate for ILS is Bank of Israel official rate, fixing sampled between 13.15 – 15.15 local time, published at 15.25 local time Monday – Thursday. Fridays sample 10.15 – 12.15 and published at 12.25. Published on Reuters: ILS2= (the last quote is the recent published rate). Also available on BOI web site: boi.org.il.

Regulation

Offshore restrictions

No restrictions.

Non-resident restrictions

No restrictions.

License requirements

Licensing requirement apply for financial services.

Requirements to open a foreign currency account

For sub account opening we require signed letter request to open an additional subaccount under the existing base. The letter should be signed according to customer BR by designate person that can sign on account opening docs.

Deal Management

Rollover: Permitted, gross or net settled.

Unwinding: Permitted, gross or net settled.

Early Maturity: Permitted, gross or net settled.

Documentation Requirements

Product specific

Phone instructions for FX are granted only once person is authorized by counterparty board and scanned by BOI.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Citibank, N.A., Israel Branch
Azrieli Sarona Building,
121 Derech Begin,
Tel-Aviv 6701203

FX Sales Contact: +972 3684 2525

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

IVORY COAST (XOF – West African CFA Franc)

Citi in Ivory Coast

Citibank Cote d'Ivoire has been operational since 1976 with the opening of the branch in Abidjan. The branch offers a broad suite of products and services including Cash Management, Trade Services and Treasury Products. Citi in Cote d'Ivoire has clients operating across the Corporate, Public and Development Sectors providing on-the-ground services.

Market Overview

The West African CFA franc is very regulated FX environment all offshore payments are subject to heavy documentation requirement and approval from the MOF office. CFA franc (XOF) is pegged to EUR at 655.957. Main Currency Pairs: EURXOF (80%); USDXOF (18%).

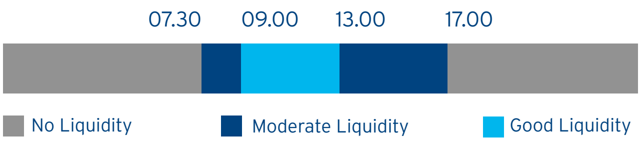
There is currently no existing Interest Rate Market for Cote D'Ivoire and for the WAEMU zone in general. The main interest rate product are sovereign bonds issued at fixed rate (no asset priced with floating rate). Hence no local market on IRS while Central Bank does not mention any prohibition regarding this potential activity. Central bank repo rate on one-week tenor is used as proxy for money market quote.

Convertibility
Convertible with restrictions subject to local exchange control regulation. FCY to LCY is free while LCY to FCY is subject to supporting documentation in line with the local exchange regulation.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✓
Offshore	✓	✗	✗	✗	✗	✗	✓
Onshore volume (MM USD daily)	10 – 30	1 – 2	N/A	N/A	N/A	N/A	
Offshore volume (MM USD daily)	1 – 5	Marginal	N/A	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	T + 2	6 months	N/A	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore typical deal size (MM USD)	0.25 – 3	1 – 3	N/A	N/A	N/A	N/A	
Offshore typical deal size (MM USD)	1	N/A	N/A	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*Can be applied to long term FX Forwards
Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

There is no local fixing.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) not permitted to transact FX with an offshore entity (e.g. offshore bank). However, relationship between offshore and onshore banks are allowed.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

The banking license provides rights to undertake all the listed products (Spot, Forwards, NDF, Swap, Options) as long as its done in accordance with Fx regulation.

No specific license required for corporate names to undertake fx transaction as the incorporation suffice.

Requirements to open a foreign currency account

FCY account are subject to Ministry of Finance and Central bank approvals. The request is been submitted by an onshore bank on behalf of the corporate with justification of purpose, estimated size of flows, and type of operations. The approval is being renewed each year and given by the central bank.

Deal Management

Rollover: Yes.
Unwinding: Yes.
Early Maturity: Yes.

Documentation Requirements

Product specific

FX spot: documentation is required above XOF 500 000 for all individual or corporates customers. Documentation type varies based on the type of payment. Outright forward: FX Documentation required before the settlement date.

Trade flows

Remittance of XOF out of the WAEMU region is subject to required set of documents in compliance with the local exchange control regulation.

Capital flows/FDI

Capital flows and FDI are not subject to any restriction, however would need to be declared to the Mof office at inception to facilitate the projected reimbursement.

Additional Comments

Resident corporate to hedge risk only based on commercial transaction, no speculative hedging allowed.

Citibank Cote D'ivoire S.A.
28 Avenue Delafosse 01 BP 3698 ABIDJAN 01

FX Sales Contact: +225 2020 9081

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

JORDAN (JOD – Jordanian Dinar)

Citi in Jordan

Citibank, N.A. Amman, Jordan was established in 1974, and is a fully licensed commercial bank having two branches in Amman. Citi Jordan is the only commercial US bank in the country providing a full array of key corporate and investment banking products and services including Citi Transaction Services (Trade Finance, Cash Management); Treasury (Foreign Exchange; Derivatives & Hedging Solutions); Loans and Overdrafts; Corporate Finance; and Investment Banking.

Market Overview

JOD is a fully convertible currency, and has been pegged to USD since 1995.

JOD is pegged to USD in a narrow range (0.70800-0.71000) and onshore banks are not allowed to price outside the peg. USD is the most tradable currency against JOD followed by GCC currencies and Euro.

Central Bank of Jordan provides liquidity at all times, as long as the request is for a genuine transaction and not for speculative purposes, at a fixed bid and offer rate with spot value date.

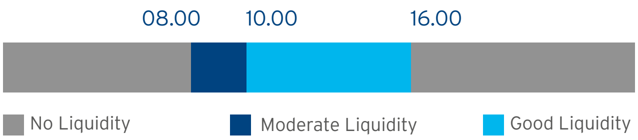
No Onshore IR market.

Convertibility
Fully Convertible. No underlying documentation required for FX.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✓	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	15 – 30	0 – 20	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	5 – 20	0 – 20	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	Up to 1 year	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	Up to 1 year	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	2 – 10	2 – 10	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	2 – 7	2 – 7	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

Not Applicable.

Regulation

Offshore restrictions

Onshore and offshore entities are permitted to transact FX with offshore entities – No restrictions.

Non-resident restrictions

Non-resident corporates are permitted to transact FX with onshore and offshore entities. No restrictions.

License requirements

No License is required.

Requirements to open a foreign currency account

No constraints – account opening documentation will only be required as part of KYC.

Deal Management

Rollover: Permitted.

Unwinding: Permitted.

Early Maturity: Permitted.

Documentation Requirements

Product specific

No local law documentation requirements.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Citibank N.A – Amman
29, Prince Shaker Bin Zeid Street, Shmeisani
Amman 11183, Jordan

FX Sales Contact: +9626 5100 456

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

KAZAKHSTAN (KZT – Kazakh Tenge)

Citi in Kazakhstan

Citigroup has maintained its presence in Kazakhstan since 1994 when it opened a representative office. In 1998 Citibank Kazakhstan JSC, a 100% subsidiary of Citigroup with a full banking license from the National Bank of Kazakhstan (1.2.247/81/30 issued on 16 October 2009), opened its doors to corporate customers. Today Citibank Kazakhstan JSC is a major lending, transactional and investment bank to Kazakhstan corporations, financial institutions, and state owned companies, as well as Kazakhstan subsidiaries and representative offices of leading international firms.

Market Overview

Free float with inflation targeting regime. Central bank has the right to intervene in the market when there is a threat to the financial stability. Main volumes come from corporate, government, quasi government and public sector clients. Main currency pairs: USD/KZT; RUB/KZT; EUR/KZT; EUR/USD.

Kazakhstan has enjoyed decent inflows of offshore investors into sovereign debt market early this year. Foreign investors holdings have quickly passed previous $1.45bn all-time high which was recorded in Apr 2018.

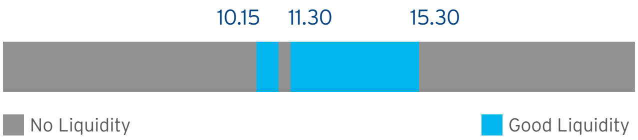
Convertibility
Fully Convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✗	✗	✗
Offshore	✓	✓	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	80 – 1100	2 – 13	1 – 12	Marginal	N/A	N/A	N/A
Offshore volume (MM USD daily)	5 – 15	3 – 17	5 – 15	Marginal	N/A	N/A	Marginal
Onshore max tenor (or typical tenor for spot)	T + 1	2 years	2 years	1 year	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 1	3 years	3 years	1 year	N/A	N/A	3 years
Onshore typical deal size (MM USD)	1 – 2	1 – 2	1 – 5	Transactions are episodic	N/A	N/A	N/A
Offshore typical deal size (MM USD)	3 – 7	1 – 5	1 – 5	Transactions are episodic	N/A	N/A	Transactions are episodic
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Market is organized on Kazakhstan Stock Exchange with trading session from 10.15 till 17.00 local time. Local time is GMT+6.



Fixing (incl. ticker)

5pm KASE for NDF fixing REUTERS ticker: USDKZTTOMWA=KZ.

Regulation

Offshore restrictions

Onshore market is allowed to trade with offshore market participants. Offshore entity can trade KZT with other offshore entities if they both have open Nostro accounts in KZT.

Requirements for Residents (except for branches and representative offices of foreign companies)

Export proceeds must be credited to the bank accounts in Republic of Kazakhstan. In the following cases, export proceeds can be received into accounts opened abroad and requirement for repatriation will not apply in the below cases:

- Secure fulfilment of liabilities of resident under loan extended by non resident or funds credited to finance activities of resident's branches and representative offices.
- Use of foreign currency received by residents from holding outside the RK, exhibitions, sports, cultural and other similar events to cover expenses in the period of their conduct crediting to accounts in foreign banks of transport organizations-residents of currency earnings in order to pay the costs associated with the payment of port and other fees in the territories of foreign countries and maintenance of vehicles outside the RK such transport organizations and their passengers, as well as expenses for ensuring the activities of branches (representative offices) of such transport organizations. Need to notify the National Bank of the Republic of Kazakhstan when prior to conducting transactions using foreign account.

Sale and purchase of foreign currency in the Republic of Kazakhstan must be conducted by residents and non-residents only at authorized banks. Authorized bank is a bank established on the territory of Republic of Kazakhstan.

Non-residents can buy/sell currency without restrictions and supporting documents for the further implementation of intra-corporate transfer (transfer to Head office).

Requirements to open a foreign currency account

Foreign currency account should be opened for FX operations.

Deal Management

Rollover: No, only through FX Swap.

Unwinding: No, only through FX Swap.

Early Maturity: No, only through FX Swap.

Documentation Requirements

Product specific

For FX spot and forward products FX application (on paper or via CitiDirect system) is required. FX spot can be traded based on Master FX spot agreement or historic BAC. For FX forward/NDF Treasury Master Agreement (local ISDA) has to be signed.

Trade flows

In case of cash collateral instruments (e.g. letter of credit) in foreign currency (FCY), customer is required to present FX application for FCY purchase. When there are no funds on customer account in required FCY at the time of maturity, bank can initiate FX between customers' accounts, no need to present additional FX application.

All FX operations are subject to reporting to the National Bank of Republic of Kazakhstan.

Capital flows/FDI

Residents and non-residents are required to indicate the purpose of payments and transfers of currency operations effected through banks and to submit to the bank documents supporting the indicated purposes of money transfers and payments. The National Bank as the main body of currency regulation establishes the order of performance of currency transaction by residents and non-residents.

If the amount of the contracts for the movement of capital (capital injection, inter – company loan, transactions with securities, gratuitous transfer of money and currency values) of residents (except for branches and representative offices of foreign companies) exceeds the equivalent of USD 500,000, then the agreement should be registered in the National Bank.

Receipt of the contract registration number (RN) made by exporter or importer – residents (except for branches and representative offices of foreign companies) before payment processing and (or) money transfers and (or) before transition of goods across the border of the Republic of Kazakhstan under a contract. The RN is assigned if total amount of contract is over USD50.000 (or its equivalent in other currencies)

Additional Comments

The currency control regulation for FX deals in excess of USD 50,000.00 will require the following documents to fulfil capital control requirement: application a copy of the agreement and an invoice or other document. In addition a resident client will provide to secure that purchased foreign currency will be used for the purposes declared in application, will provide a SI to conduct reverse FX if purchased foreign currency will not be used for the purposes specified in the application within 10 business days, except when foreign currency is bought for payment of dividends.

Purchase by legal entities – residents of foreign currency for purposes not related to the fulfillment of obligations – no more than USD 50,000.00 in one authorized bank in one transaction day: transfer of foreign to own accounts in foreign banks; gratuitous free money transfers in foreign currency; crediting and (or) transferring foreign currency to their own accounts in authorized banks.

When a resident legal entity (with the exception of the authorized bank) purchased in accordance with the clause 20 of the Currency Control Rules non-cash foreign currency for the purpose of repaying obligations in foreign currency to a non-resident of the Republic of Kazakhstan on external loans received, the amount of a foreign exchange agreement under which exceeds 100 (one hundred) million US dollars in equivalent, and bonds issued in foreign currency, the par amount of which according to the issue prospectus exceeds 100 (one hundred) million US dollars in equivalent and for which the fulfillment of obligations occurs within 90 (ninety) calendar days from the date of purchase of non-cash foreign currency, a resident legal entity must provide:

- an application for opening a separate bank account in the corresponding foreign currency;
- an instruction to the authorized bank to credit the purchased non-cash foreign currency to a separate bank account in foreign currency;
- an instruction to the authorized bank, if it is not used within 90 (ninety) calendar days from the date of purchase for the stated purposes, to sell this currency for the national currency within the next 3 (three) working days;
- as well as documents confirming the amount and terms of fulfillment of obligations (loan agreement and payment schedule, other documents).

The monitoring for prevention of legalization (laundering) of proceeds from crime and financing of terrorism and study procedure is subject to conversion operations carried out by one Bank client in the form of purchases (purchases) of foreign currency on one business day in an aggregate amount exceeding for legal entities 10 (ten) million US dollars.

When a client completes conversion operations and at the same time the client reaches an amount in excess of 10 (ten) million US dollars during the day, subsequent applications for the purchase of foreign currency are accepted no less than 1 business day before the date of the conversion operation.

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A25T0A1 Republic of Kazakhstan

FX Sales Contact: +772 7332 1522

Subsidiary Funding – Tax Consideration
Tax Summary – Kazakhstan

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties can be reduced to 10%		15% WHT	N/A	15% WHT on dividends • Under certain tax treaties can be reduced Non-resident can be WHT exempt on dividends if certain conditions are met: dividends not paid to "black-listed" jurisdictions, holding period above 3 years, etc.
Deductibility of interests	Thin capitalisation rule: Deductible interest limited to "acceptable" proportion of Debt-to-Equity of 7x for financial institutions (4x for all other entities) List of jurisdictions with privileged taxation 'black list Transfer pricing rules apply (i.e. arms length rule)			N/A	N/A
Deductibility of FX losses	FX losses in excess of FX gains are deductible			Only deliverable forward and NDF available locally • All other derivatives booked out of Citi London/CGML FX losses in excess of FX gains are deductible FX losses on DF are deducted from current year P&L FX losses from NDF can be deducted only from potential gains of future NDF deals within 10 year tenor (applicable only to local corporates)	N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

KENYA (KES – Kenyan Shilling)

Citi in Kenya

Citibank N.A Kenya began operations in 1974 and has 2 branches in Nairobi and Mombasa. We are currently the leading institutional bank in Kenya, partnering with Corporate, Public Sector and Financial Institution clients. Our banking services comprise of:

- Cash Management, Trade Finance, Trade Services and Cards.
- Capital Markets/Corporate Finance/Investment Banking.
- Fixed Income/Currencies.

Some key highlights include:

- Citi processes 15% of tax volumes in Kenya.
- Citi processes 15% of all RTGS payments in Kenya.
- Citi processes 25% of all EFT payments through the clearing house.
- Over 200 collection points across Kenya through our partner bank relationships with Co-operative Bank and Postbank.

Market Overview

Kenyan Shilling is free floating exchange rate regime, with occasional intervention to smoothen out volatility. No exchange controls, however for foreign currency payments of >US$10,000 and above, supporting documentary evidence of the underlying economic transaction is required.

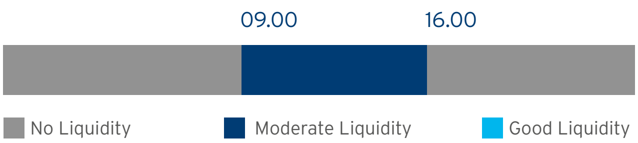
IRS and IRO are not tradable in KES.

Convertibility
Currency is fully convertible. There are no restrictions.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore					✗	✗	
Onshore volume (MM USD daily)	30 – 40	0 – 10	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	10 – 20	0 – 10	0 – 10		N/A	N/A	negligible settled on NDF basis
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	1 year	1 year		N/A	N/A	5 years
Onshore typical deal size (MM USD)	0.5	1	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	- /3	-/3	-/3		N/A	N/A	episodic
CitiFX Pulse Capabilities	✓	✓	✗	✗			✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

There is no benchmark in the country.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is permitted to transact FX with an offshore entity (e.g. offshore bank). There are no restrictions to price KES outside the country subject to the following:

There are restrictions on Kenya Shilling funding:

- Onshore entities are not allowed to fund offshore counterparties for tenors less than one year. This encompasses funding in all forms of transactions as well as overdrawn accounts.

Non-resident restrictions

Non-residents (e.g. non-resident corporates) are permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

No license requirement to transact FX Spot. For securities, a Central Depository System (CDS) account is required.

Requirements to open a foreign currency account

Foreign currency accounts are permitted. Accounts are opened after completion of documentary requirements.

Deal Management

Rollover: All types are permitted. Gross settled.

Unwinding: All types are permitted.

Early Maturity: No restrictions but not common market practice.

Documentation Requirements

Product specific

No documentation required for FX conversions although supporting documentation is required for outgoing foreign currency payments of $10,000 (equiv.) and above. For outgoing foreign currency payments done electronically, of amounts above USD 10,000, supporting documentation may be deferred (subject to indemnification) but must be provided upon request. Supporting documentation is compulsory for both incoming and outgoing payments of USD 7million and above.

Capital flows/FDI

No local law documentation requirements.

Additional Comments

NDFs, Options and Cross Currency Swaps are permitted but have little activity in country and are mostly illiquid.

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Subsidiary Funding – Tax Consideration
Tax Summary – Kenya

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% WHT • Under certain tax treaties can be reduced to 0% Oil & Gas 15% WHT		15% WHT Oil & Gas 15% WHT	N/A	Non-resident 15% WHT on Dividends • Oil & Gas WHT dividends: 10% • Under certain tax treaties can be reduced to 0% Resident WHT on dividends: WHT exempt if >12.5% voting power, 5% otherwise
Deductibility of interests	Generally deductible if incurred to generate taxable income Thin cap rules if all conditions apply: 1) non-resident person controls a company alone or with up to four others, 2) company is not a bank or FI, 3) D/E > 3x (2x for extractive sector). In this case, the excess of interest expense over D/E ratio is not deductible • Thin cap rules do not apply to companies with affordable housing projects Transfer pricing rules apply (i.e. arms length rule)	Generally deductible if incurred to generate taxable income Thin cap rules if all conditions apply: 1) non-resident person controls a company alone or with up to four others, 2) company is not a bank or FI, 3) D/E > 3x (2x for extractive sector). In this case, the excess of interest expense over D/E ratio is not deductible • Thin cap rules do not apply to companies with affordable housing projects Transfer pricing rules do not apply		N/A	N/A
Deductibility of FX losses	Realised FX losses are tax deductible expenses FX losses realised on any loans from shareholders in the period when company was thinly capitalised will be deferred until the state of thin capitalisation ceases to exit. This does not apply to Banks.			Realised FX losses are tax deductible expenses	N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

KUWAIT (KWD – Kuwaiti Dinar)

Citi in Kuwait

Citi Kuwait has been a fully licensed bank since 2006. The bank has been offering a full range of corporate banking services, including traditional trade, lending and hedging products to major Top Tier Local Corporations (TTLC's) and Global Subsidiary Group (GSG's) corporations, as well as Public sector and financial institutions operating in the country.

Market Overview

Local market deals KWD FX until central bank closing which is at 1.45pm Kuwait time, this is mainly to be able to cover from Central bank and due to central bank regulation which obliges the local banks to cover with Central bank next working day if a client deal booked after 1.45pm. KWD is a freely traded traded currency. The market believes that the appropriate value of the currency is derived from a basket of currencies which is not disclosed by central bank. These currencies are USD, EUR, GBP and JPY. Main Currency Pairs: USDKWD; EURKWD.

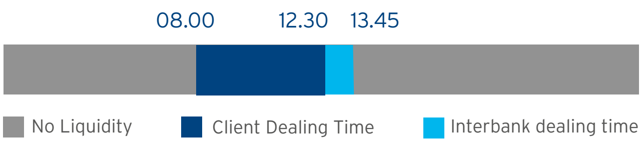
Kuwait Inter Bank Offer Rate (Kibor), is published daily by the Central Bank of Kuwait at 8.00am.

Convertibility
USDKWD is freely convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✗	✗	✗	✗	✓
Volume (MM USD daily)	100 – 200	100 – 150	N/A	N/A	N/A	N/A	5 – 10
Max tenor (or typical tenor for spot)	T+2	2 years	N/A	N/A	N/A	N/A	2 years
Typical deal size (MM USD)	25	25	N/A	N/A	N/A	N/A	5 – 10
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)
Central bank publishes USDKWD rate every day at 8.00am.

Regulation

Offshore restrictions
No exchange controls, offshore entities are permitted to transact with onshore. Onshore entities (e.g. resident corporate) are permitted to transact FX with an offshore entity (e.g. offshore bank).

Non-resident restrictions
No specific restrictions for non-residents, same restriction as for resident account. Non-resident (e.g. non-resident corporate) are permitted to transact FX with an onshore entity (e.g. onshore bank) but this is subject to having an account opened with a local branch.

License requirements
Not required.

Requirements to open a foreign currency account
There is no difference than opening a local currency account.

Deal Management

Rollover: N/A.

Unwinding: N/A.

Early Maturity: N/A.

Documentation Requirements

Product specific
Spot FX is done on an account to account basis within the same branch. Confirmation/settlement instructions is required after the deal is completed.

Trade flows
No documentation required for FX. To be entitled to cover USD/KWD by the central bank, the transaction must have documented commercial needs.

Capital flows/FDI
No documentation required for FX. To be entitled to cover USD/KWD by the central bank, the transaction must be for commercial needs.

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Ahmed Tower, Arabian
Gulf St. Sharq, Kuwait

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Subsidiary Funding – Tax Consideration
Tax Summary – Kuwait

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	No WHT* WHT for other countries with which there are certain tax treaties			N/A	No WHT* WHT for other countries with which there are certain tax treaties Dividends from locally listed companies exempt from local taxes
Deductibility of interests	No deductibility No transfer pricing law, however, Tax Authority can inspect transactions to ensure they on an arm's length basis		Deductible if related to operations in Kuwait and paid to local bank	N/A	N/A
Deductibility of FX losses	Only realized losses are deductible**			N/A	Only realized losses are deductible**
Other taxes, duties	VAT framework currently under discussion			N/A	VAT framework currently under discussion
Comments	N/A	N/A	N/A	N/A	N/A

** Kuwaiti tax law does not impose withholding tax (WHT). However, all public bodies and private entities are required to retain 5% from the contract, agreement, or transaction value or from each payment made to any incorporated body until presentation of a tax clearance certificate by the recipient of such payment from the Ministry of Finance (MoF), confirming that the respective company has settled all of its tax liabilities in Kuwait. The final payment should not be less than 5% of the total contract value. Source: https://taxsummaries.pwc.com/kuwait*

*** Local Citi experience and related tax advice is to not deduct unrealized losses from tax filing. Experience with other banks has been that all such deductions were later disallowed during inspections and resulted in extra tax (with penalty interest) to be paid. Source: EY and local Citi tax counsel.*

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

LEBANON (LBP – Lebanese Pound)

Citi in Lebanon

Citigroup's presence in Lebanon dates back to the 1950s when Beirut was the bank's hub for the region. Since re-establishing its fully licensed Lebanon branch in 1996, the bank has been offering a full range of corporate and investment banking services, including traditional trade, lending and hedging products to major corporations (TTLCs and GSGs) and financial institutions operating in the country, as well as public sector entities.

Market Overview

Currently, the LBP is officially pegged to the USD between 1501 and 1514, however due to recent political and economic instability, there has been a shortage of foreign currency. This has led to the LBP to trade at 8,300 at exchange houses. The LBP is not traded offshore. The most frequently traded currency pairs in general are: USDLBP, EURUSD, GBPUSD, and USDCHF. The most traded currency pairs involving LCY are: USDLBP, EURLBP, and GBPLBP. Central bank intervenes when there is either demand/supply for FCY.

No onshore rates trading available.

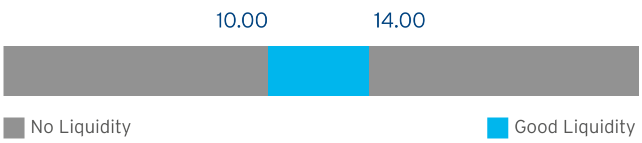
Convertibility

Cannot be traded offshore. Non-resident entities cannot hold LBP accounts. No forward markets.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✗	✗	✗	✗	✗	✗
Offshore	✗	✗	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	Not available	N/A	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	N/A	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.5 – 2	N/A	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Note: On Friday, the market closes at 12.00

Fixing (incl. ticker)

Central Bank fixing is published from Monday to Friday at 10.00 am on Reuters page BDL01.

Regulation

Offshore restrictions

Onshore entity is permitted to transact FX with an offshore entity.

As per local regulations, non-resident financial institutions are not allowed to hold local currency accounts. Thus, any transaction with an onshore financial institution involving local currency has to be related to a client request. As for local banks, overbought/oversold cap limit exists and is as follows: FCY/LCY cap is 1% of equity, FCY/FCY cap is 40% of equity.

Non-resident restrictions

Non-resident corporate can trade local currency with onshore financial institutions. This is subject to approvals and have accounts opened with a local branch. No justification document is required for the same.

License requirements

None.

Requirements to open a foreign currency account

No specific requirements. When opening an account for a new client, a customer activation form is needed; however when opening an account for an existing client, a letter from the client is sufficient.

Deal Management

Rollover: N/A.
Unwinding: N/A.
Early Maturity: N/A.

Documentation Requirements

Product specific

In order to close an FX transaction with the treasury department at Citi Lebanon, a client is required to sign an "Agreement for Forward and Spot Exchange". Spot/Forward FX is done on account to account basis with the same branch. Only the signed confirmation is required after the transaction is completed. Forward contracts are not permitted in local currency.

Trade flows

LBP is only onshore as non-resident financial institutions are not permitted to hold an account in LBP.

Capital flows/FDI

No local law documentation requirements.

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Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

MOROCCO (MAD – Moroccan Dirham)

Citi in Morocco

Citi has been operating in Morocco since 1967 and is a member of GPBM (Groupement Professionnel des Banques au Maroc), with direct access to local regulatory bodies, notably the Foreign Exchange Control Office and market infrastructures for our securities funds business.

Citi Morocco is primarily engaged in corporate and investment banking with four customer segments covering multinational clients, large Moroccan corporations, the public sector and financial institutions.

Backed by an unparalleled international network, Citi Morocco has access to a large array of products, covering all clients' requirements, ranging from cash management to foreign exchange and strategic advisory.

Market Overview

MAD is a basket of 60% EUR and 40% USD. Interbank rates are quoted by the Central Bank within a bid-offer band range of 10%. Main Currency Pairs: EURMAD; USDMAD; GBPMAD; JPYMAD; CHFMAD. FX trades must be done for business/hedging reasons.

No speculative trading is allowed. Onshore hedges for local resident entities allowed (FX forwards/vanilla options). Max tenor 5 years.

Good liquidity on the rates market for short term up to 2y, Medium liquidity from 5 to 10y, Poor liquidity for longer tenors.

Convertibility
The Moroccan dirham (MAD) is a restricted currency with regulated convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✗	✗	✓
Offshore	✓	✓	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	300 – 500	50 – 150	N/A	25 – 75	N/A	N/A	25 – 75
Offshore volume (MM USD daily)	1 – 100	0 – 10	20	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore max tenor (or typical tenor for spot)	T + 2	5 years	N/A	5 years	N/A	N/A	5 years
Offshore max tenor (or typical tenor for spot)	T + 2	1 year	2 years	N/A	N/A	N/A	Bespoke hedge dependent*
Onshore typical deal size (MM USD)	5 – 15	10 – 30	N/A	2 – 10	N/A	N/A	2 – 10
Offshore typical deal size (MM USD)	1 – 5	1 – 5	1 – 5	N/A	N/A	N/A	Bespoke hedge dependent*
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Note: MAD options are not quoted offshore. Local banks can only offer MAD options onshore to local resident clients as per the local regulations.
*Can be also applied to long term NDFs.
Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

3 Daily official Central Bank publications:

Boundaries: Around 8.30am and 11:50pm (BAM/FX3).

Mid-day fixing around 12.30pm (BAM/FX1) (Reuters).

License requirements

No license is required for foreign exchange transactions. Securities transactions do not require any license (except for securities traded in the Stock Exchange).

Requirements to open a foreign currency account

A FCY account cannot be credited by normal MAD. FCY account can only be credited by foreign currency or convertible MAD from offshore. Exporters are allowed to have an export FCY account (''CCPEX'' account) where they can keep up to 70% of export receivables in foreign currency to pay for import or services in foreign currency.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank). This is due to regulatory restrictions: onshore banks are mandated by the regulator and responsible to ensure that resident corporates are in strict adherence with local regulatory requirements.

Offshore entities (e.g. non-resident corporates) are allowed to trade with offshore entities (e.g. bank).

Non-resident restrictions

Non-resident (e.g. non-resident corporate) hold convertible MAD account. Non-resident is permitted to transact FX with an onshore entity (e.g. onshore bank). However, Non-resident can only trade Spot FX (FX hedging transactions between onshore bank and a non-resident corporate are not allowed).

Deal Management

Rollover: Permitted, subject to documentation.

Unwinding: Permitted but no FX gain is allowed, based on prevailing market rates.

Early Maturity: Permitted, based on prevailing market rates.

Documentation Requirements

Product specific

For Spot deals underlying documentation is only required at settlement of the FX transaction.

For Forward deals, it is required at time of booking.

Trade flows

FX trades related to local resident entities must be backed by commercial/financial transactions. Underlying documents are required for imports of goods and services. With regards to hedging: in addition to an FX Master agreement (for longer than 1Y, an ISDA will be required), supporting documents to be provided to the bank on deal booking date for FX forwards (contracts, import documents, export declarations, final invoices or purchase orders from foreign customers).

Capital flows/FDI

Investment flows for local resident entities must be converted in LCY upon receipt and must be registered with the Moroccan Exchange Office. Capital injections/dividend payments/FDIs cannot be hedged onshore at the moment, but hedging of these flows could be allowed in a near future. Intercompany loan hedging is allowed.

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Subsidiary Funding – Tax Consideration

Tax Summary – Morocco

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	10% WHT Under certain tax treaties can be reduced Interest on foreign currency loans with maturity > 10 years is WHT exempt		Interest income from tax residents (other than FIs) is subject to 20% WHT. The WHT is deductible. Interest on foreign currency loans with maturity > 10 years is WHT exempt	N/A	15% WHT on dividends • Under certain tax treaties can be reduced • WHT on dividends exemption if distributed offshore for entities established in free trade zones (FTZ) to activities performed in FTZ
Deductibility of interests	No specific thin cap rules Interest on loans from direct shareholders is tax deductible if capital is fully paid in Deductible interest limited to (i) portion of loan not exceeding share capital equity and (ii) official interest rate provided annually by the Ministry of Finance based on six months treasury bills (2.22% in 2018) Transfer pricing rules apply (i.e. arms length rule)	No specific thin cap rules	N/A	N/A	N/A
Deductibility of FX losses	Generally tax deductible			N/A	N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

NIGERIA (NGN – Nigerian Naira)

Citi in Nigeria

Citi has been present in Nigeria since 1984 with a focus on Corporate and Investment Banking.

Citi offers our local corporate, multinational, public sector and investor clients a suite of products. Citi has led innovation in the Nigerian financial markets – introducing new products, training clients and market participants and solving problems for our clients.

Market Overview

Managed Float. The Nigerian Naira is a restricted currency with regulated convertibility, as defined from time to time by the Central Bank of Nigeria (CBN). Main Currency Pairs: USDNGN; GBPNGN; EURNGN; JPYNGN; CHFNGN. Central Bank of Nigeria is a significant liquidity provider in the FX spot and forward market. Other flows coming from local exporters (including oil exploration companies), other local USD sellers and portfolio investors.

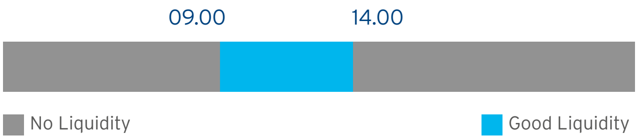
The NGN fixed income market is liquid, tradable and active with tenors out to 30 years. The main benchmark is NITTY and it's published daily by FMDQ. NITTY is a benchmark for tenors up to 1 year.

Convertibility
Bid side – limited controls (FCY to NGN). Offer side– subject to the rules of the Central Bank of Nigeria (CBN) Foreign Exchange Manual (NGN to FCY). Regulated convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	25 – 150	20 – 50	15 – 35	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	N/A	N/A	10 – 15	N/A	N/A	N/A	Negligible, settled on NDF basis
Onshore max tenor (or typical tenor for spot)	T + 2	5 years	5 years	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	N/A	N/A	2 years	N/A	N/A	N/A	5 years
Onshore typical deal size (MM USD)	0.5 – 3	0.5 – 3	0.5 – 3	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	N/A	N/A	1 – 5	N/A	N/A	N/A	Transactions are episodic
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

USDNGN Fixing – NAFEX. Fixes daily at 12 noon. Bloomberg Code – NIGNNAFX.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank) in NGN as it does not settle offshore. Exchange controls will apply where an onshore entity requests to settle foreign currency to the offshore counterparty i.e. such payments must conform with existing regulations.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank). Some documentation may be required for LHS trades like board resolution, CCI request etc. Documentation is also for RHS trades. The specific documentation will depend on the nature of the underlying payment.

License requirements

Not applicable.

Requirements to open a foreign currency account

Corporates are allowed to open a foreign currency account but the NGN is not convertible. Foreign currency accounts cannot be funded from local currency.

Deal Management

Rollover: Yes, with supporting documents. Gross-settled.

Unwinding: Not allowed.

Early Maturity: Not allowed.

Documentation Requirements

Product specific

For both FX Spot and Forwards: Bid side – limited controls (FCY to NGN). Offer side – subject to the rules of the Central Bank of Nigeria Foreign Exchange Manual (NGN to FCY).

Trade flows

Central Bank of Nigeria Foreign Exchange Manual specifies what is needed for Trade Flows. Nigeria only permits letters of credit (LC) or bills for collection (BFC). Open accounts are not permitted. Clients are required to open a regulatory document called Form M in order to initiate an import.

Capital flows/FDI

Capital inflows into Nigeria must be converted and a Certificate of Capital Importation (CCI) issued, evidencing the inflow of capital. The CCI is a key underlying document for the purpose of repatriation of dividend, loan repayment etc.

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Subsidiary Funding – Tax Consideration
Tax Summary – Nigeria

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>10% WHT
• Under certain tax treaties can be reduced to 7.5%
The tax treaties entered into by Nigeria do not provide for a reduction in WHT rates below 7.5%</td><td>10% WHT
• Under certain tax treaties can be reduced to 7.5%
The tax treaties entered into by Nigeria do not provide for a reduction in WHT rates below 7.5%</td><td>10% WHT</td><td>N/A</td><td>10% WHT on dividends
Dividends from offshore are taxable except if repatriated into Nigeria through government-approved channels (i.e. any financial institution authorised by CB of Nigeria for FX dealing)</td></tr>
<tr><td>Deductibility of interests</td><td colspan="2">Generally deductible
No tax-related thin-capitalization rules apply
GAAR, arm's-length pricing for related parties
The 2019 Finance Act provides a limitation (30% of EBITDA) on interest expense on foreign connected party debt. Excess interest can be carried forward for up to 5 years</td><td>Fully deductible
Interest on government bonds is tax exempt
Interest on foreign currency domiciliary accounts is also exempt</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="5">Realized losses are tax deductible
Unrealized FX Losses are taxable (they will be added back for tax purposes)</td></tr>
<tr><td>Other taxes, duties</td><td colspan="3">Interest on any foreign loan or on any loan granted by a bank for manufacturing goods for export is exempt from tax as follows:
• Example: Repayment over 7 years, moratorium minimum 2 years, 70% exemption</td><td></td><td>Dividend paid to Unit Trust and Real Estate Investment companies are exempt from WHT</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

PAKISTAN (PKR – Pakistan Rupee)

Citi in Pakistan

Citi is in Pakistan since 1961. We are a Corporate and Investment Bank, dealing primarily with global subsidiaries. In addition, we service banks via FI route and advice to the Government on sovereign debt issues. Citi was the first bank in the country to offer custody services after the market was liberalized for foreign investment in 1991.

Market Overview

Flexible market-determined. PKR is only traded onshore. Main Currency Pairs: USDPKR (90%); JPYPKR; EURPKR; GBPPKR. The CB might intervene to prevent a possible overshooting or to counteract any disorderly market conditions while not suppressing an underling trend and in a manner consistent with building reserves. These interventions will not be sterilized, such that the stance of monetary policy will be correspondingly tightened if intervention is needed. Speculation in official FX market is not allowed by the Central Bank.

Convertibility

Convertible with restrictions onshore. Not convertible in the off-shore market.

Main volumes are coming from Corporates and Public Sector Entities with legitimate underlying exposure. There is also a healthy activity by foreign funds in the stock market and government fixed income market.

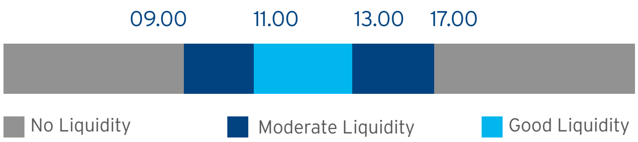
Published regulations allow on-shore FX hedges against Exports, Import Letters of Credits and certain FCY loans. However informally, only CNY-denominated LC can be hedged up to 100% of LC value while import LC's denominated in other convertible currencies can only be hedged up to 50% of LC value.

Interest rate swaps are permitted in PAK Rupees only. A swap curve does not exist in Pakistan because IRSs are not actively traded, market swap rates are not available. Parties are free to use any eligible interest rate as benchmark provided it is approved by Financial markets association of Pakistan (FMAP). Karachi Interbank Offer Rate (Quoted on Reuters page KIBR) can be used initially. The OTC market is very opaque. It is difficult to specify volumes. Max tenor 5 years, CB approval is needed for transactions exceeding 5 years. Hedges cannot exceed the total principal/duration of the underlying exposure.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✓	✗	✓
Offshore	✗	✗	✗	✗	✗	✗	✓
Onshore volume (MM USD daily)	300 – 400	10 – 30	N/A	N/A	N/A	N/A	2 – 10
Offshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent**
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	5 years, separate approval to exceed this tenor	N/A	Usually up to 5 years but 10 years also possible
Offshore max tenor (or typical tenor for spot)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent**
Onshore typical deal size (MM USD)	1 – 5	0.5 – 1	N/A	N/A	N/A	N/A	5 – 10
Offshore typical deal size (MM USD)	N/A	N/A	N/A	N/A	N/A	N/A	Bespoke hedge dependent**
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

*A swap curve does not exist in Pakistan, because IRSs are not actively traded, over the counter, very opaque market. Volumes not readily available.
**Can be also applied to long term NDFs.
Source: Citi indicative information

Market opening hours and liquidity during the day



*Market closes at 1.00 pm on Fridays.

*Market closes at 3.00 pm Monday – Thursday.

Market hours reflect the revised hours stipulated by the Central Bank under the Covid19 restrictions.

Fixing (incl. ticker)

There is presently no fixing for client flows. The only FX benchmark published is by the CB for revaluation purposes of banks' FX position which is done between 2:30 pm to 3pm on the Reuters page SBPK02.

Regulation

Offshore restrictions

Eligible borrowers in the private sector can raise foreign currency loans in Pakistan from foreign lenders in convertible foreign currencies in the form of commercial credit, supplier's credit, buyer's credit, working capital loans, intercompany loans, issuance of foreign currency bonds, structured loan facilities and FCY financing under Islamic arrangement subject to the instructions specified below for each category. The funds can only be brought through normal banking channels which necessarily involve a local bank (authorized dealer) at the time of conversion.

Deposit sweeping across geographies not allowed.

Non-resident restrictions

Non-residents (e.g. non-resident corporate) are permitted to transact FX with an onshore entity (e.g. onshore bank) depending upon the nature of transaction and if required, subject to prior Central Bank approvals.

License requirements

None, barring the onus on Authorized FX Dealer (bank) to ensure that the client undertaking FX trades in the formal interbank market can support the sale/purchase of foreign currency with valid underlying exposures.

Requirements to open a foreign currency account

The funds available in an FCY account are freely repatriable subject to the provisions of the FE manual mentioned as under.

Facility is not available to airlines and shipping companies operating in/through Pakistan or collecting passage and freight in Pakistan and the investment banks, leasing companies and modaraba companies including those which have been granted licenses to deal in foreign exchange.

Payments in foreign exchange received by an Authorized Dealer on behalf of a resident in Pakistan must not be retained in foreign exchange but must be converted into Rupees unless the State Bank has given general or special permission to the beneficiary to retain the foreign exchange received by him.

Foreign currency accounts can be fed by remittances received from abroad, travelers cheques issued outside Pakistan and foreign exchange generated by encashment of securities issued by the Government of Pakistan. A foreign currency account of a citizen of Pakistan resident in Pakistan can also be fed with cash foreign currency only if the account holder is a filer as defined in Income Tax Ordinance.

These accounts cannot be fed by:

1. Any foreign exchange borrowed under any general or specific permission given by the State Bank, unless otherwise permitted;
2. Any payment for goods exported from Pakistan;
3. Proceeds of securities issued or sold to non-residents;
4. Any payment received for services rendered in or from Pakistan;
5. Earnings or profits of the overseas offices or branches of Pakistani firms and companies including banks, investment of resident Pakistanis abroad;
6. Any foreign exchange purchased from an Authorized Dealer in Pakistan for any purpose.

Deal Management

Rollover: Yes with supporting documents.

Unwinding: FX hedges up to 1 year cannot be unwound prior to maturity; derivatives can be unwound prior to maturity.

Early Maturity: Yes with supporting documents.

Documentation Requirements

Product specific

Pre-closing documentation required to support the respective FX transaction for Central Bank classification against Trade (import/export), non-trade remittances like royalty, dividend, technical fee etc.

Trade flows

Pre-closing documentation required to support the respective FX transaction for Central Bank classification against Trade (import/export), non-trade remittances like (royalty, dividend, technical fee etc).

Capital flows/FDI

Foreign investors can own up to 100% equity with the exception of insurance companies which are capped at 51%. Additionally all sectors and activities are open for foreign investment unless specifically prohibited for national security reasons and/or public safety including arms and ammunitions, high explosives, radioactive substances, securities, currency/mint and consumable alcohol.

Proof of underlying transaction needed for all spot Purchases, sales. Forwards are allowed to hedge the amount brought in by foreign investors up to a max 1 year but not less than a month. Interest/dividends cannot be hedged.

Additional Comments

All payments have to be against valid underlying exposures and hedging is restricted to specific types of loans and import payments against letters of credit.

Disclaimer

Please seek independent legal advice. The contents of this chapter are intended to be illustrative and not to be construed as an exhaustive summary of all applicable regulatory requirements. In respect of any particular proposal, detailed analysis will be required based on the facts of the same.

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Subsidiary Funding – Tax Consideration
Tax Summary – Pakistan

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT on payment of profit on debt to a non-resident person in terms of section 152(2) 10% reduced rate applies under Clause (5A), Part II of the Second Schedule to the Ordinance where payment is made to a non-resident person not having a permanent establishment in Pakistan • Under certain tax treaties can be reduced		**Where yield <=PKR 500K and an undertaking is provided by the recipient that during the tax year the profit on debt would remain less than Rs.500K** • 10% WHT in case of persons appearing on the Active Taxpayers List ('ATL') • 20% WHT in case of persons not appearing on the ATL **Where yield <=PKR 500K and no undertaking is provided by the recipient** • 15% WHT in case of persons appearing on the ATL • 30% WHT in case of persons not appearing on the ATL Where yield >PKR 500K,15% WHT in case of persons appearing on ATL and 30% WHT for persons not appearing on the ATL In case of payment of profit on debt to a banking company, no WHT applies in terms of Rule 5(2) of the Seventh Schedule to the Ordinance	N/A	WHT on Dividend 15% (in case of persons appearing on the ATL) and 30% (if not appearing on the ATL) Where dividend is paid by an Independent Power Purchaser and where such tax on dividend is a pass through item, rate of WHT is 7.5% (in case of persons appearing on the ATL) and 15% (if not appearing on the ATL) In case of a person receiving dividend from a company where no tax is payable by such company, due to exemption of income or carry forward of business losses under Part VIII of Chapter III or claim of tax credits under Part X of Chapter III, rate of WHT is 25% (in case of persons appearing on the ATL) and 50% (in case of persons not appearing on the ATL) Reduced rate may apply under relevant DTA
Deductibility of interests	Deductible expense, subject to conditions specified under sections 106 and 106A of the Ordinance Transaction should be on an arm's length basis Loan agreement should be registered with the State Bank of Pakistan		Deductible expense Transaction should be on an arm's length basis	N/A	N/A
Deductibility of FX losses	Deductible expense on realized basis		N/A	Deductible expense on realized basis	N/A
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

POLAND (PLN – Polish Zloty)

Citi in Poland

Citi has been present in Poland since 1991. In 2001 a merger of Citibank (Poland) S.A. and Bank Handlowy w Warszawie S.A. took place to form Citi Handlowy, a Citi subsidiary. It is one of the strongest financial institutions in Poland as it builds on over 150 years of local experience and achievements of Bank Handlowy and on the history and successes of over 200 years of Citi. The bank has been listed on the Warsaw Stock Exchange since 1997 and is a member of WSE Respect Index constantly since its creation in 2009. The Index covers Polish companies listed on the WSE Main Market which follow the highest corporate governance, reporting and investor relations standards, and which also take into account environmental and social factors. The Bank provides the full range of banking services through Corporate and Institutional Clients Group, Commercial Banking and Consumer Group to international and local corporate and individual clients.

Market Overview

Liquid foreign exchange market with free floating currency. The National Bank of Poland (central bank) follows inflation targeting monetary policy. Main currency pairs: EURPLN, USDPLN, EURUSD.

Interest Rate

IR market consists of liquid Money Market.

WIBOR Money Market Rates are fixed by GPW Benchmark – subsidiary of WSE (tenors from O/N to 12M) on daily basis (gpwbenchmark.pl).

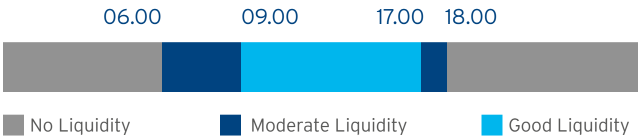
Poland also has liquid government bonds market with majority of bonds issued in PLN, with tenors up to 20 years (fixed coupons, floating coupons, linked to CPI Index coupons).

Convertibility
Full convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✓	✓	✓	✓	✓
Volume (MM USD daily)	500 – 1500	500 – 1500	50 – 200	150 – 250	1000	On demand	10 – 100
Max tenor (or typical tenor for spot)	T+2	2 – 3 years	2 – 3 years	3 years	10 years	5y, 10y maturity for swaption underlying swap	10 years
Typical deal size (MM USD)	1 – 5	5 – 25	5 – 25	10 – 20	10 – 15	5 – 20	15 – 25
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

FX Fixing for currencies is determined by the National Bank of Poland. Fixing ticker: NBPFIXA and NBPFIXB (Reuters).

Regulation

Offshore restrictions

Currently no special local limitations with regard to PLN (Polish zloty) currency traded on foreign markets subject to restrictions that may apply in foreign jurisdictions.

Non-resident restrictions

Non-residents are permitted to trade FX e.g. with authorized local bank.

License requirements

Residents and non-residents do not require license to trade FX with e.g. authorized local bank.

Requirements to open a foreign currency account

Requirements provided in particular by local banking law, foreign currency law and AML regulations. Standard set of documents is required.

Deal Management

Rollover: Permitted subject to individual terms and conditions set out in relevant agreement with client. Mark-to-market at prevailing market rate. Gross and Net settlement are available and optional.

Unwinding: Permitted subject to individual terms and conditions set out in relevant agreement with client. Mark-to-market at prevailing market rate. Gross and Net settlement are available and optional.

Early Maturity: Permitted subject to individual terms and conditions set out in relevant agreement with client. Mark-to-market at prevailing market rate. Gross and Net settlement are available and optional.

Documentation Requirements

Product specific

FX Spot: no specific legal requirement.

FX Derivatives transactions (e.g. FX forwards, FX swaps): Local Treasury Master Agreement/ISDA MA needs to be signed. For certain counterparties (e.g. banks, investment firms, investment funds) collateral arrangements are required by law. EMIR and MIFID regulatory requirements are to be met for fx derivatives, e.g. requirements to obtain LEI.

Trade flows

FX transactions supporting the allowed trade flows including FX hedging are permitted in accordance with the rules set out above.

Capital flows/FDI

FX transactions supporting the allowed capital flows/FDIs including FX hedging are permitted in accordance with the rules set out above.

Additional Comments

Information presented above applies to FX transactions executed with authorized local bank and subject to local law requirements.

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Subsidiary Funding – Tax Consideration
Tax Summary – Poland

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td colspan="2">20% WHT
• Under certain tax treaties, can be reduced to 0% if income recipient is a beneficial owner</td><td>No WHT</td><td>As a rule, derivatives are not subject to WHT*</td><td>20% WHT on Dividends
• WHT of 10% for sea or air transportation
• Under certain tax treaties can be reduced
WHT exemption – dividends paid to corporates in EU and EEA. Basic requirement: foreign beneficiary to hold min 10% shares for min 2 years</td></tr>
<tr><td>Deductibility of interests</td><td>Generally deductible, if associated with earning revenue
Thin cap: deductibility disallowed to the extent Net Interest Cost > 30% Tax EBITDA
• Safe Harbour provision: PLN 3mm tax deductible interest p.a. Non-deductible interest can be carried forward and deducted in 5 subsequent years.
Starting 1 Jan 2020: new Notional Interest Deduction (NID) deduct hypothetical costs of external capital if additional payments to capital or retained profits. Max NID is PLN 250,000 p.a.
Transfer pricing rules apply</td><td colspan="2">Generally deductible, if associated with earning revenue
Thin cap: deductibility disallowed to the extent Net Interest Cost > 30% Tax EBITDA
• Safe Harbour provision: PLN 3mm tax deductible interest p.a. Non-deductible interest can be carried forward and deducted in 5 subsequent years.
Thin cap restrictions do not apply to FI's</td><td>As a rule, derivative payments could be recognized as tax deductible**</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="5">FX loss generally is deductible under the condition expense itself could be treated as tax cost
FX differences as a rule could be only recognized when are factually realized (i.e. Interest paid for loans, equity sale transaction concluded). Depending on taxpayer's choice (effective for longer period) it is possible to follow accounting treatment.</td></tr>
<tr><td>Other taxes, duties</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>Civil Law Activities Tax (CLAT) at 1% could be applied for certain sale transactions that are not concluded on WSE or with investment firm intermediation.</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

** However, WHT depends not on contract type, but on nature of payment. WHT could be required, as per current developments in case of CDS for instance, as Polish law puts WHT duties on certain types of services e.g. guarantees and similar. Even if there is WHT under certain tax treaties, it can be reduced to 0% if income recipient is a beneficial owner.*

*** Derivative payments that have purely speculative character (are no related as economic hedge) loses have been questioned by tax authorities (for purpose of tax deductibility).*

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

QATAR (QAR – Qatari Riyal)

Citi in Qatar

Citibank, NA – QFC Branch (Citi Qatar) was established in 2007, and is authorized by the Financial Centre Regulatory Authority (QFCRA). Citi Qatar offers a full range of corporate and investment banking services, and operates through a local correspondent bank for clearing purposes as the branch is not part of the local check clearing system. Citi Qatar doesn't provide retail services.

Market Overview

The local currency is pegged to USD at an average price of 3.64. The Central Bank supports the peg in the onshore market by providing liquidity domestically to commercial banks. Following the geo-political events and the embargo on Qatar in 2017, the volatility on USDQAR in the offshore market has increased and USDQAR pair has been trading higher compared to the onshore market. In early 2021, the neighboring countries agreed to lift the blockade on Qatar, which had led to compression in the onshore and offshore spread in USDQAR.

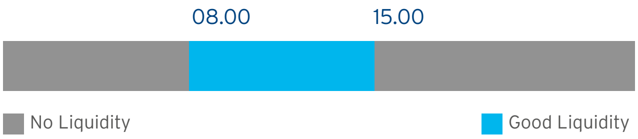
Banks with local clearing license can access CB to place excess liquidity at 1%.

Convertibility
Fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✓
Offshore	✓	✓	✗	✗	✗	✗	✓
Onshore volume (MM USD daily)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	20 – 40	50 – 100	N/A	N/A	N/A	N/A	Limited liquidity, fix-fix quotes available on RFQ basis
Onshore max tenor (or typical tenor for spot)	T + 2	Up to 6 months	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	2 years	N/A	N/A	N/A	N/A	2 years
Onshore typical deal size (MM USD)	2 – 5	10 – 25	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	2 – 5	10 – 25	N/A	N/A	N/A	N/A	Limited liquidity, fix-fix quotes available on RFQ basis
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fix.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is permitted to transact FX with an offshore entity (e.g. offshore bank).

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank).

Requirements to open a foreign currency account

No restrictions.

Deal Management

Rollover: Permitted.

Unwinding: Permitted.

Early Maturity: Permitted.

Documentation Requirements

Product specific

No underlying documents are required – Only settlement instructions.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

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Source: Relevant legislation, publicly available sources.

ROMANIA (RON – Romanian Leu)

Citi in Romania

Citi has been present in Romania since 1996, servicing mainly multinationals, local large companies and the public sector. Citi is one of the main players in the FX, swaps and bonds market (Citi is a primary dealer). Citi is the market leader in securities custody services.

Market Overview

The National Bank of Romania (NBR) oversees a floating exchange rate regime. They loosely manage extreme volatility in the market (a rough interval for the last 3 years for EUR/RON would be 4.60 – 4.95. The NBR reserves its right to intervene whenever it considers appropriate). Main currency pairs: EURRON (60 – 70%), USDRON (20 – 30%) and GBPRON, HUFRON, PLNRON.

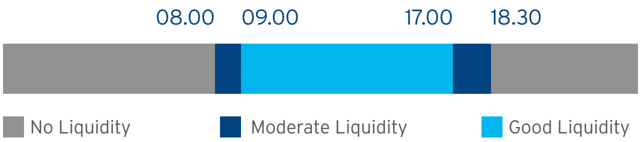
The IRS market in Romania has been usually derived from the relatively more active XCCY and XCCY basis swap curves. Lately activity in IRS has increased, mostly on the back of client demand, but the market is still trading it as a cross between XCCY and XCCY basis. The most active part of the curve is 1 – 5 years, with very little activity above that. It is traded against 3m ROBOR.

Convertibility
Fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✓	✓	✓	✗	✓
Volume (MM USD daily)	150 – 250	200 – 300	2 – 10	-5 – 100	2 – 20	N/A	2 – 10
Max tenor (or typical tenor for spot)	T+2	5 years	5 years	2 years	7 – 10 years	N/A	7 – 10 years
Typical deal size (MM USD)	1 – 5	5 – 15	1 – 5	1 20	2 – 10	N/A	2 – 10
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

National Bank Fixing – Daily at 13.00. (Reuters FXRO01 or EURRONFIX=; USDRONFIX=, etc).

Regulation

Offshore restrictions

No restriction. An onshore entity (e.g. resident corporate) is permitted to transact FX with an offshore entity (e.g. offshore bank).

Non-resident restrictions

No restrictions. A non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank).

Tax registration requirements

Non-resident clients that open a bank account or earn an income sourced from Romania that is subject of Romanian taxation must get a tax identification number (NIF) issued by local tax authorities.

Requirements to open a foreign currency account

No special requirements. To be noted that except some cases specified in the NBR regulation, a Romanian corporate cannot pay foreign currency to another Romanian corporate.

Deal Management

Rollover: Permitted at market rate. Net and gross settlement are available.

Unwinding: Permitted at market rate. Net and gross settlement available.

Early Maturity: Permitted at market rate. Net and gross settlement are available.

Documentation Requirements

Product specific

Up to FX Spot no documentation is required. For FX Forwards: Treasury Master Agreement or ISDA is required and to comply with EMIR (European Market Infrastructure Regulation) requirements.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

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Subsidiary Funding – Tax Consideration
Tax Summary – Romania

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	16% Interest WHT • Under certain tax treaties can be reduced • WHT exemption if conditions are met: Interest paid to related parties in EU and for 2 years before payment: the payer/recipient own min 25% shares or 3rd party in EU owns min 25% in both payer and recipient • 50% WHT on interest paid to countries with no tax exchange of information agreement (TEIA) regardless if DTA or not. This applies only to "artificial transactions"		16% Interest WHT	Cross currency swap with exchange of notional is subject of WHT in Romania (16% or gross up) Transactions with derivatives for risk management of public debt are WHT exempted	5% WHT on dividends paid offshore • Under certain tax treaties can be reduced EU Parent-Subsidiary Directive: Dividends paid to companies resident in EU are WHT exempt if beneficiary has held, min 10% of shares for an uninterrupted period of 1 year
Deductibility of interests	Net borrowing costs (debt-related costs, incl. FX expenses and capitalised interest, minus interest income) that exceed the deductible threshold of EUR 1 mm, are deductible, up to the limit of 30% of the calculation base Calculation base = (gross accounting profit – non-taxable revenues + profits tax + net borrowing costs + deductible tax depreciation) The non-deductible net borrowing costs can be carried forward indefinitely				
Deductibility of FX losses	FX losses linked to loans or financing instruments are subject of limited deductibility				
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

RUSSIA (RUB – Russian Ruble)

Citi in Russia

AO Citibank, a fully owned subsidiary of Citi in Russia, was one of the first international banks to enter the Russian market in 1992. Today, Citi is one of the largest and best capitalized banks in the country. More than 3,000 institutional clients and over 600,000 retail customers are served by Citi's 3,000 employees in 11 cities across Russia. Citi's clients have access to the full spectrum of banking services and are provided with integrated and innovative financial solutions.

In 2020, AO Citibank obtained the highest credit rating of AAA under the national scale from the Russian Analytical Credit Rating Agency (ACRA). Citi Russia is in top category of the most reliable banks by Forbes for 10 consecutive years, including ranking fifth in 2020.

Market Overview

RUB is a free floating currency. Under normal conditions, the Bank of Russia does not intervene to influence the ruble exchange rate. At the same time, the regulator closely monitors developments in the FX market and may resort to foreign exchange operations to maintain financial stability. Most actively tradable currency pairs: USDRUB and EURRUB. Main volumes are coming from natural resources exporters and corporates repaying external debts and dividends.

IR instruments are tradable, market is developing with good liquidity and increased interest from onshore/offshore players. Main benchmarks are Mosprime/RUONIA/CBR Key rate.

Convertibility
Fully convertible currency since July 2006.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✓	✓	✗	✓
Offshore	✓	✓	✓	✓	✓	✓	✓
Onshore volume (MM USD daily)	5,000 – 7,000	400 – 700	200 – 400	200 – 300	50 – 100	NA	50 – 100
Offshore volume (MM USD daily)	2,500 – 3,500	400 – 600	500 – 750	600 – 900	50 – 100	2	50 – 100
Onshore max tenor (or typical tenor for spot)	T +1	5 years	5 years	5 years	10 years	NA	10 years
Offshore max tenor (or typical tenor for spot)	T +1	5 years	3 years	5 years	10 years	5y, 10y maturity for swaption underlying swap	10 years
Onshore typical deal size (MM USD)	5 – 15	5 – 15	5 – 15	20 – 50	10	5 – 20	10
Offshore typical deal size (MM USD)	10 – 20	10 – 20	10 – 20	20 – 50	20	NA	20
CitiFX Pulse Capabilities	✓	✓	✓	✓	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

USDRUB BBG ID is: USDRUB MCDF Curncy, Reuters RIC: USDFIXME=RTS.

Regulation

Currency Control Regulation

FX transactions in Russia must be performed by the parties only through the bank accounts opened in authorized Russian banks.

Non-resident restrictions

Non-residents have the right to open bank accounts (bank deposits) in foreign currency at authorized banks within Russia. Non-residents have the right without restriction to transfer foreign currency from their bank accounts (bank deposits) at authorized banks to their own accounts (deposits) at banks abroad.

Non-resident entity is permitted to transact FX with a Russian authorized bank.

License requirements

The authorized bank should have a bank license issued by Central Bank of Russia.

Requirements to open a foreign currency account

KYC and special list of documentation is required for account opening.

Deal Management

Rollover: No, only through FX swap.

Unwinding: Yes. Settlement: Mark-to-market at prevailing market rate.

Early Maturity: No, only through FX swap.

Documentation Requirements

Product specific

Documentation is required for payments due to local currency control and tax regulations.

For spot and derivatives transactions various master agreements (depending on client' needs) are available. Transaction can be executed and confirmed using various means of communication (including trading platforms).

Trade flows

Trade flows of Russian onshore entities are subject to local Currency Control regulation. Contracts need to be registered with authorized Russian bank.

Capital flows/FDI

Incoming payments to residents can be done in a form of export proceeds or loans from non-resident. Outgoing payments in favour of non-residents are not limited. Non-residents and residents having accounts in Russia can do FX only with licensed banks and are subject to Russian Currency Control regulation.

Additional Comments

RUB is tradeable 24 hours throughout various liquidity pools. Main liquidity in concentrated within MOEX (Moscow Exchange). MOEX hours: 10AM – 1AM MSK.

Please note that as of 1 March 2018 Central Bank of the Russian Federation introduced a new procedure for registration and control over currency operations. In particular, Russian residents no longer have to open a passport of the deal for a foreign trade contract, instead they are required to register with authorized banks. Non compliance with currency control regulations may cause severe consequences (penalties may be up to 100% of amount of the contract amount).

Russia is netting friendly jurisdiction in general.

All derivative, repo and certain spot transactions are subject to reporting to Russian repository.

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Subsidiary Funding – Tax Consideration
Tax Summary – Russia

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	20% WHT • Under certain tax treaties can be reduced to 0% if income recipient is a beneficial owner	20% WHT • Under certain tax treaties can be reduced to 0% if income recipient is a beneficial owner	20% WHT	20% WHT on variance margin WHT on income received from non-deliverable derivatives is challenged by tax authorities and considered as "other income" Under certain tax treaties can be reduced to 0% for beneficial owners of income	15% WHT on dividends 20% WHT on capital gains • Both can be reduced to 0/5/10% under certain tax treaties
Deductibility of interests	Interest is deductible, unless D/E > 3x (D/E 12.5x for banks and leasing companies) • If limit is exceeded, excess interest will be reclassified for taxation purposes as dividends paid to foreign shareholders -such dividends are not deductible and subject to 15% WHT (may be reduced under DTA) Transfer pricing rules apply (i.e. arms length rule)	Interest is deductible Interest on loans from independent banks are exempt from thin cap rules (provided the debt was not repaid by a foreign shareholder or its affiliates as a result of execution of a guarantee to the bank).	N/A	N/A	N/A
Deductibility of FX losses	Generally deductible if economically justified			Generally deductible if economically justified Tax authorities are focused on challenging losses from intercompany deals	Generally deductible if economically justified
Other taxes, duties	N/A	N/A	N/A	N/A	N/A
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

SAUDI ARABIA (SAR – Saudi Riyal)

Citi in Saudi Arabia

Citigroup Saudi Arabia is licensed by the Saudi Arabian Capital Market Authority (CMA) to provide a full range of investment banking, debt and equity markets, markets and securities research capabilities to local and international institutional clients. This is in addition to the custodial and local brokerage services provided to the Qualified Foreign Investors which allows Citi to trade in Saudi equities.

Citi's Saudi office serves government/public sector, large multinational companies and top tier local corporates and was opened in April 2018.

Citigroup Saudi Arabia does not have a banking license from the Saudi Arabian Monetary Authority.

Market Overview

The local currency is pegged to USD. There are no FX regulatory restrictions and the currency is fully convertible both onshore and offshore. The majority of the traded volume in Saudi Riyal against USD followed by GCC currencies.

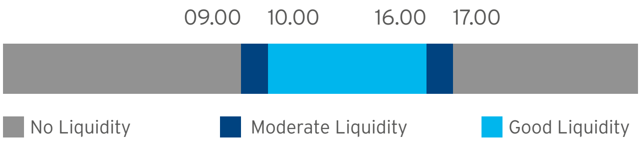
Commonly traded products are FX spot, forwards and cross currency swaps. The SAR IRS market goes up to 10yr with the 5yr part of the curve being most liquid. 3m SIBOR is the benchmark interest rate. Typical size is 10 – 25 Mio USD. Both locals and offshore accounts are active in this market.

Convertibility
Fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✓	✓
Offshore	✓	✓	✗	✓	✓	✓	✓
Onshore volume (MM USD daily)	500 – 750	250 – 500	N/A	Limited liquidity, quotes available on RFQ basis-/	50 – 100	25	
Offshore volume (MM USD daily)	500 – 750	250 – 500	N/A	Limited liquidity, quotes available on RFQ basis /	50 – 100	25	Limited liquidity, quotes available on RFQ basis
Onshore max tenor (or typical tenor for spot)	T + 2	5 years	N/A	2 years	10 years	5y, 5y maturity for swaption underlying swap	
Offshore max tenor (or typical tenor for spot)	T + 2	5 years	N/A	2 years	10 years		10 years
Onshore typical deal size (MM USD)	25 – 75	25 – 75	N/A	Limited liquidity, quotes available on RFQ basis	10 – 25	5 – 20	
Offshore typical deal size (MM USD)	25 – 75	25 – 75	N/A	Limited liquidity, quotes available on RFQ basis	10 – 25		Limited liquidity, quotes available on RFQ basis
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fixing for SAR.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is permitted to transact spot FX with an offshore entity (e.g. offshore bank) if certain conditions are met. Forwards and options can also be entered if certain conditions are met.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) are permitted to transact spot FX with an onshore entity (e.g. onshore bank) if certain conditions are met. Forwards and options can also be entered if certain conditions are met.

License requirements

None.

Requirements to open a foreign currency account

Foreign currency accounts can be easily opened.

Deal Management

Rollover: Permitted.
Unwinding: Permitted.
Early Maturity: Permitted.

Documentation Requirements

Product specific

No underlying documents are required – Only settlement instructions.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Contact for corporate client coverage:

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Source: Relevant legislation, publicly available sources.

SENEGAL (XOF – West African CFA Franc)

Citi in Senegal

Citi has been present in Senegal since 1975. The branch offers a broad suite of products and services including Cash Management, Trade Services and Treasury Products to multinational and local corporate, public sector and financial institution clients.

Market Overview

BCEAO (Central Bank of West African States) oversees fixed exchange rate regime for the Countries of the WAEMU Zone (in french "Zone UEMOA"). XOF is pegged to the EUR. Main currency pairs: EURXOF; USDXOF. Main flows come from corporate and institutional clients.

There is currently no existing Interest Rate Market for Senegal and for the WAEMU zone in general. The main interest rate products are sovereign bonds issued at fixed rate (no asset priced with floating rate). Hence, there is no local market on IRS, while the Central Bank does not mention any prohibition regarding this potential activity. The central bank repo rate on one-week tenor is used as a proxy for money market quote.

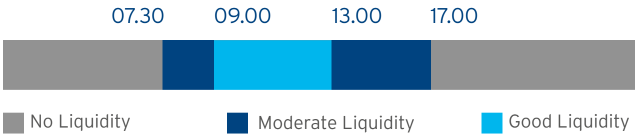
Convertibility

Convertible with restrictions subject to local exchange control regulation. Foreign currency to local currency conversion can be done without any justification while local currency to foreign currency is subject to supporting documentation.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✓	✗	✗	✗	✗	✗
Onshore volume (MM USD daily)	10 – 30	1 – 2	N/A	N/A	N/A	N/A	N/A
Offshore volume (MM USD daily)	1 – 10	Marginal	N/A	N/A	N/A	N/A	N/A
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	N/A
Offshore max tenor (or typical tenor for spot)	T + 2	6 months	N/A	N/A	N/A	N/A	N/A
Onshore typical deal size (MM USD)	0.25 – 4	1 – 3	N/A	N/A	N/A	N/A	N/A
Offshore typical deal size (MM USD)	1 – 3	N/A	N/A	N/A	N/A	N/A	N/A
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fixing.

Regulation

Offshore restrictions

An onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank). However, relationships between offshore and onshore banks are allowed (correspondent banking).

Non-resident restrictions

Non-residents (e.g. non-resident corporates) are permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

No license required for corporate names to undertake FX transactions.

Requirements to open a foreign currency account

Foreign currency accounts are subject to Ministry of Finance and Central Bank approvals. The request is to be submitted by an onshore bank on behalf of its customer with justification of purpose, and an estimated account activity profile. Such accounts needs to go through a renewal process every two years.

Deal Management

Rollover: Yes, with supporting documents and valid reason.

Unwinding: Yes, with supporting documents and valid reason.

Early Maturity: Yes, with supporting documents and valid reason.

Documentation Requirements

Product specific

Spot: Exchange control regulated, convertibility subject to appropriate underlying documentation for equivalent XOF amount >= 500,000. For amounts below this limit, no documentation is required. Please note that each type of payment (import payment, service payment, loan reimbursement, etc.) will require a specific set of documentation.

Forward and Options: FX Hedging is allowed by exchange regulation, subject to supporting documentation (Invoices or contracts to justify an underlying commercial transaction).

Trade flows

Underlying documents are required depending on the nature of the payment. These include:

1. Invoice or contract.
2. Customs documentation.

Capital flows/FDI

No restriction. However, investments should be declared to Ministry of Finance and Central Bank as well as foreign currency loans.Local banks usually choose to repatriate Foreign Currency loans to Central Bank however, this remains optional.

Additional Comments

Resident corporate are allowed to hedge risk only based on commercial transactions, no speculative hedging allowed.

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Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

SOUTH AFRICA (ZAR – South African Rand)

Citi in South Africa

- Branch of Citibank, N.A. Registered in New York. Citi South Africa is the largest foreign bank in South Africa by local assets.
- 6th largest bank in South Africa with offices in Cape Town/Durban/Johannesburg (Head Office) with an additional 1200 collection points nationwide.
- Previously in South Africa 1958 – 1987 and returned in 1995.
- Full product offering in Corporate and Investment Bank, with the equities business conducted through Citigroup Global Markets.

Market Overview

The FX market is characterized by a flexible, free-float exchange rate regime. The ZAR exchange rate is determined by market forces. The South African Reserve Bank (SARB) does not intervene in the FX market but may intervene, in line with prevailing Monetary and Exchange Rate Policy, in the market from time to time by purchasing or selling dollars to smooth out unduly large short-term fluctuations in money-market liquidity or the exchange rate. The Financial Sector Regulation Act 9 of 2017 ("FSRA") establishes two regulators in the South African financial market: The Prudential Authority and the Financial Sector Conduct Authority. They issue standards to the market, sometimes jointly. CBNA South Africa also adheres to the standards of the FX Global Code.

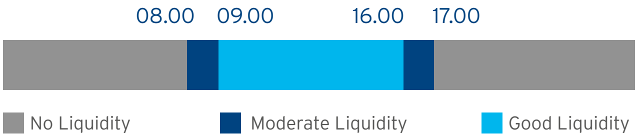
- South Africa accounts for 0.3% of the world's daily foreign exchange market turnover and the ZAR is the 20th most traded currency in the world.
- ZAR is deliverable and traded even in longer tenors, though the best liquidity is in tenors of 2 years or less.
- The main currency pairs are USD/ZAR, EUR/ZAR and GBP/ZAR.
- ZAR IR Market is tradable even in longer tenors. The best liquidity is up to 10 years, but longer tenors can also be considered, subject to market conditions at the time. 3M JIBAR is currently the main benchmark rate that is being traded.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Availability of the instrument	✓	✓	✓	✓	✓	✗	✓
Volume (MM USD daily)	2000 – 7000	5000-10000	Marginal	500 – 1500	Market liquidity varies from week to week 50 – 300	25 – 50	Market liquidity varies from week to week-/ 50 – 300
Max tenor (or typical tenor for spot)	T+2	10 years	2 years	5 years	20 – 30 years	10y, 10y maturity for swaption's underlying swap	10 – 30 years
Typical deal size (MM USD)	20 – 30	25 – 100	Transactions are episodic	5 – 50	5 – 100	5 – 20	10 – 100
CitiFX Pulse Capabilities	✓	✓	✗	✓	✗	✗	✗

Source: Citi indicative information

Convertibility
Regulated for residents (i.e. natural and juristic persons) each onshore deal must be supported by a firm and ascertainable commitment and supported by relevant documentation.

Market opening hours and liquidity during the day



Fixing (incl. ticker)
N/A.

Regulation

Offshore restrictions
ZAR is quoted and is freely convertible offshore, however onshore entities (e.g South African residents, natural or juristic persons) are only permitted to transact with SARB appointed Authorised Dealers.

Non-resident dealings
- Non-residents may freely invest in South Africa, subject to documentary evidence to ensure transactions are concluded at arm's length, are at fair market related prices and are financed in an approved manner.
- No foreign exchange control restrictions apply to a foreign corporate dealing offshore.

License requirements
N/A.

Requirements to open a foreign currency account
Documentation required is dependent on the type of company and its incorporation.

Deal Management

Rollover: Yes – subject to exchange controls and MTM at prevailing market rate.

Unwinding: Yes – subject to exchange controls and MTM at prevailing market rate.

Early Maturity: Yes – subject to exchange controls and MTM at prevailing market rate.

Documentation Requirements

Product specific

Specific to imports.

Active currency Hedges <12m subject o providing documentary evidence to the Authorized Dealer at the time of 'pay away' confirming either the nature and extent of the commitment.

Active currency Hedges >12m: a) documentary evidence of firm and ascertainable commitment where the required documentation is not available at the time of establishment of the hedge the documentation must be presented within 14 days. South African corporates may request for approval to cover 75% of forecasted exposures.

An ISDA is required for forwards, options and all derivative trades.

Trade flows

This section relates to imports.

1) Commercial invoices issued by the supplier (2) Any one of the transport documents as prescribed by the International Chamber of Commerce Uniform Customs and Practice for Documentary Credits (UCP 600) and its supplement for electronic presentation, the eUCP,

evidencing transport of the relative goods to South Africa; or (3) Freight Forwarders Certificate of Receipt or Freight Forwarders Certificate of Transport (4) Consignee's copy of the prescribed SARS Customs Declaration. In lieu of the documents referred to in (2) and (3) above, arrival notifications issued by shipping companies may be tendered. Imports from entities domiciled in the member countries of the South African Development Community (SADC) may be paid for against the commercial invoice issued by the supplier and the consignee's copy of the prescribed SARS Customs Declaration. All exports to countries outside South Africa must be supported by the prescribed SARS Customs Declaration. Please note that trade documentation may be highly specific for each importation type and clients are welcome to contact Citi South Africa to discuss documentary requirements should they wish to leverage Citi's Trade services products.

Capital flows/FDI

South African residents.

FDI not exceeding ZAR 1 billion per applicant per calendar year: Authorized Dealers may approve requests for outward FDI outside the CMA (Common Monetary Area), including requests that fall outside the company's current line of business.

FDI exceeding ZAR 1 billion per applicant company per calendar year: FDI outside the CMA, including requests that fall outside the company's current line of business, require the prior written approval of the SARB Financial Surveillance Department.

Foreign investments by private individuals residing in SA may be allowed by an Authorized Dealer to transfer up to ZAR 10 million per calendar year for investment purposes abroad.

South African private individuals are also permitted to avail of ZAR 1 million per calendar year which may be used for any legal purpose abroad including for investment purposes.

Non-residents. Investments subject to documentary evidence to ensure transactions are concluded at arm's length and are at fair market related prices.

Additional Comments

1. Thereafter on case by case basis subject to exchange controls.

2. Including financial and non financial counterparties.

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Subsidiary Funding – Tax Consideration
Tax Summary – South Africa

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% Interest WHT general rate • Under certain tax treaties can be reduced to 0-15%	15% Interest WHT general rate • Under certain tax treaties can be reduced to 0-15%	N/A =	N/A	WHT on Dividends: 5%/10%/15. May be reduced under certain tax treaties Generally: 5% for beneficial owner with min. holding of 10% of capital; 10%/15%- all other cases General domestic Dividend WHT 20%
Deductibility of interests	Generally deductible* Budget plan (from 1 Jan 2022 earliest): net interest expense deductions to be restricted to 30% of earnings (i.e. tax EBITDA). Thin cap rules covered as part of Transfer Pricing Legislation • Arms length pricing is a key guiding principle	Generally deductible* Budget plan (from 1 Jan 2022 earliest) : net interest expense deductions to be restricted to 30% of earnings (i.e. tax EBITDA). Thin cap is treated as potential breach of general arm's-length standard Transfer Pricing rules apply	Generally, interest is deductible	N/A	N/A
Deductibility of FX losses	If non-current asset/ liability, must be deferred until realized	Fully Deductible	Fully Deductible	Must be analysed on a case by case basis	Defer until realized – portion might be at CGT rate as well. Para 43 of 8h Schedule in Income Tax Act
Other taxes, duties	Interest charged is exempt from VAT of 15% Where interest is not subject to income tax or WHT, interest deductions are limited to a percentage of taxable income before interest and depreciation. (% with reference to repo rate with 60% ceiling of adjusted taxable income).	Interest charged is exempt from VAT of 15%	Interest charged is exempt from VAT of 15%	N/A	Dividends taxed at 20% on paid by all resident and non-resident companies as on shares listed on a South African exchange (JSE). Dividends are tax exempt if the beneficial owner is an resident company, SA-retirement fund, etc.
Comments	N/A	N/A	N/A	N/A	N/A

** Interest deductibility limitation in section 23M (as briefly referred to under "other taxes") and 23N, part of Income Tax Act No.58 of 1962.*

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.
Source: Relevant legislation, publicly available sources.

TANZANIA (TZS – Tanzanian Shilling)

Citi in Tanzania

Citi Tanzania began operations in Tanzania in 1995, and is the only U.S. owned bank in the country.

Citibank Tanzania is part of the Citi East African network that includes Kenya, Uganda and Zambia.

Since opening its first branch in Dar es Salaam, Citi Tanzania's local network has increased substantially, making it a highly respected player among local and international financial services providers.

Citi Tanzania's corporate customer base consists of local corporate, public sector, global corporate, multinationals, UN agencies, government ministries, financial institutions, banks, insurances, and pension funds.

Businesses

Citi Tanzania offers a range of banking services to corporates including treasury, investment services, deposits, cash management, trade finance, and electronic banking.

Market Overview

Managed Float. Corporates are the key non-interbank players in the market. The Central Bank occasionally intervenes in the interbank foreign exchange market (IFEM) to smoothen out short-term volatility in the exchange rate. Main currency pairs include USDTZS, EURTZS, ZARTZS, GBPTZS, and KESTZS.

Interest rates are market-determined.

Market liquidity remains adequate in line with Central Bank's monetary policy measures designed to ensure adequate supply of liquidity among banks and general stability of short-term interest rates.

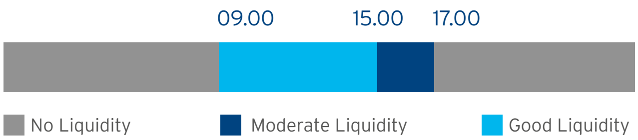
Treasury bill rates are the main benchmark rates, published on the Bank of Tanzania website.

Convertibility
Currency is fully convertible subject to availability of liquidity in the market.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	2 10	Marginal	N/A	N/A	N/A	N/A	
Offshore volume (MM USD daily)	N/A	N/A	Bespoke hedge dependent	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	N/A	N/A	Bespoke hedge dependent	N/A	N/A	N/A	Bespoke hedge dependent
Onshore typical deal size (MM USD)	0.1 – 1.0	Transactions are episodic	N/A	N/A	N/A	N/A	
Offshore typical deal size (MM USD)	N/A	N/A	Bespoke hedge dependent	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

N/A.

Regulation

Offshore restrictions

- Offshore entities are permitted to sell FCY into Tanzania to support their subsidiaries. Offshore entities can also buy FCY but are required to provide documentation indicating the underlying economic activity for the transaction.
- Externalization of foreign currency requires supporting documentation showing the underlying economic activity for the transaction.
- Onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank).
- Swaps with offshore entities require a minimum tenor of 3 months.

Non-resident restrictions

A non-resident entity (e.g. non-resident corporate) is restricted from transacting FX with an onshore entity (e.g. onshore bank) unless approval is provided by Central Bank to trade onshore. Indications of purpose of the underlying transaction is required.

Non-residents are restricted from engaging in foreign exchange derivative transactions, including but not limited to swaps and forward transactions, in which one of the currencies is the Tanzanian Shilling, unless there is evidence of an underlying economic activity.

License requirements

N/A.

Requirements to open a foreign currency account

Standard KYC documentation is required for a resident or non-resident in the United Republic to open and maintain a foreign currency account.

Operation of offshore foreign currency accounts by residents is subject to restriction.

Deal Management

Rollover: N/A.

Unwinding: N/A.

Early Maturity: N/A.

Documentation Requirements

Product specific

No local law documentation requirements.

Trade flows

Any transfer of foreign currency outside Tanzania is subject to appropriate underlying documentation. Examples of documentation include invoices, board resolutions (for dividend payments), loan agreements (for parent loan repayment) etc.

Capital flows/FDI

Any transfer of foreign currency outside Tanzania is subject to appropriate underlying documentation. Example of documentation includes invoices, board resolutions (for dividend payments), loan agreements (for parent loan repayment) etc. Note that parent company loans must be submitted to the Central Bank for approval so that a Debt Record Number can be assigned before any loan disbursement and debt servicing outside the country is made.

Outward portfolio investments, foreign lending operations in favor of non-residents, acquisition of real estate, outward direct investment and participation of non-residents in domestic money and capital markets are subject to restrictions.

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Subsidiary Funding – Tax Consideration

Tax Summary – Tanzania

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>10% WHT
• Under certain tax treaties can be reduced to 10%</td><td>10% WHT
• Under certain tax treaties can be reduced to 10%
Loans financing government projects are exempt from WHT</td><td>10% WHT
Loans financing government projects are exempt from WHT</td><td>N/A</td><td>10% WHT for dividends with the following exceptions:
• Onshore: From any DSE listed company or to company which has >25% equity: 5%
• Offshore: To company which has >25% equity: 5%</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">Interest is deductible on accrual basis
• Subject to thin capitalisation rule: for ‘exempt-controlled resident entities’ where D/E > 7:3
• There are specific definitions of ‘Debt’ and ‘Equity’
Transfer pricing rules apply (i.e. arms length rule)</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="3">Unrealized losses are not tax deductible until such a time when they are realized</td><td>Unrealized losses are not tax deductible until such a time when they are realized
Gains on derivatives are included in investment income and subject to total income taxed at 30%</td><td>Unrealized losses are not tax deductible until such a time when they are realized</td></tr>
<tr><td>Other taxes, duties</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

Note: Citigroup Inc. and any of its affiliates do not provide accounting, tax, or legal advice. Please seek advice from a relevant licensed advisor.

Source: Relevant legislation, publicly available sources.

TUNISIA (TND – TUNISIAN DINAR)

Citi in Tunisia

Citi has been operating in Tunisia since 1978 as an offshore bank. We became a full-service bank offering corporate and investment banking services in 1989 when we obtained an onshore license.

We are the primary foreign bank in the country. As the first to execute both on and offshore activities, we are also the most active foreign bank in Tunisia.

We are proud to offer a wide array of cash management products and services (payables, receivables and liquidity solutions), serving the needs of local clients. Our goal is to structure the product mix to meet our clients' needs for streamlined operations, improved financial controls and optimal use of funds.

More than 300 private and public corporate clients operate in the following different economic sectors:

Corporate Clients: We are proud to provide tailored and unique financial solutions to the majority of the top-tier corporations operating in Tunisia.

Public Sector: Citi maintains a successful relationship with the public sector, and is recognized as a partner and advisor on a number of complex finance structures.

Private Corporate Clients: Citi has strong relationships with the most important private Tunisian companies, for example with industrial companies, banks, leasing companies and insurance providers. Citi also provides products and services to embassies and non-governmental organizations (NGO's).

Market Overview

Tunisian Dinar is not freely convertible, managed through a floating exchange rate regime. Tunisian Dinar is pegged to a basket of currencies, reflecting their importance in Tunisia external trade (EUR60% and USD40%). The basket is adjusted with the fluctuations of these currencies, taking into consideration inflation differentials.

The Central Bank of Tunisia controls the local FX market and can intervene in the market to stabilize the Tunisian Dinar.

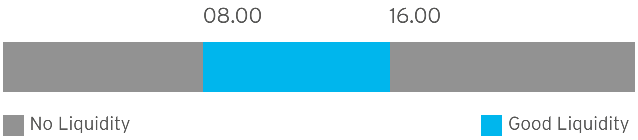
IR Market is not active in Tunisia and liquidity is very thin. Money market average (TMM) is used as the benchmark by the local market participants.

Convertibility
Domestic Tunisian Dinar is not a convertible CCY.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✗	✗	✗
Offshore	✓	✓	✓	✓	✗	✗	✓
Onshore volume (MM USD daily)	5 – 15	2 – 10	N/A	Marginal	N/A	N/A	
Offshore volume (MM USD daily)	5 – 15	2 – 10	Marginal	Marginal	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	1 year	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	T + 2	2 years	2 years	2 years	N/A	N/A	Bespoke hedge dependent
Onshore typical deal size (MM USD)	0.1 – 0.5	0.1 – 0.5	N/A	Transactions are episodic	N/A	N/A	
Offshore typical deal size (MM USD)	0.5 – 2	0.5 – 2	Transactions are episodic	Transactions are episodic	N/A	N/A	
CitiFX Pulse Capabilities	✓	✓	✓	✓	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

No fix.

Regulation

Dealing with Offshore restrictions

No restrictions for offshore entities (non-resident entities/ Offshore corporates).

Onshore entities (e.g. resident corporates) can deal with offshore banks. They are permitted to transact FX with it, for deals backed by commercial or financial transactions.

Non-resident restrictions

Non-resident entities (e.g. offshore corporates) can deal with onshore banks and it is permitted to transact FX with it. Subject to non-existent of a 'Professional' account with available sufficient balance.

License requirements

Products for import are free except those subject to authorization from the Ministry of Commerce. A license is mandatory for a local business to import goods from abroad that are subject to authorization, to be able to buy foreign currency.

Requirements to open a foreign currency account

Onshore entities (e.g resident corporates) may open Foreign currency accounts (so called 'professional accounts). Non-resident entities may open Convertible Dinar Accounts (CTD) that can be credited by the equivalent of any Foreign Currency or CTD.

Deal Management

Rollover: Yes, through supporting documents (new instructions).

Unwinding: Not possible.

Early Maturity: Yes, with supporting documents.

Local regulation allows FX Options, but markets are really illiquid.

For the onshore market, Clients can only buy a FCY Tunisian Dinar option. Selling options is not allowed in onshore market.

Documentation Requirements

Product specific

A General Investor is required to provide the following information/documentation on a pre-execution basis:

1. Confirmation of hedge purpose 2. Hedging (Forwards) transactions must be backed by commercial or financial transactions (e.g. invoice or purchase order, contract ...); Hedging extension via justified reason/supporting documentations showing hedging status. Unwinding: supporting documents are required.

Trade and Currency Control flows

1.Trade flows for Import or export of goods: FX is allowed after LC import/export, documentary collection utilization
2. Import or Export of services (i.e Currency Control flows); For resident/onshore entities; FX transaction is permitted per documentation checking in accordance with Central Bank (FX Regulation requirements) ; FX forwards, must be backed by commercial or financial transactions
(e.g. invoice or purchase order, contract…)

Capital flows/FDI

No restriction on size. Forward/Option contract may be booked up to a tenor of 12 M in onshore (resident entities) and 24M offshore (non resident entities).

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Source: Relevant legislation, publicly available sources.

TURKEY (TRY – Turkish Lira)

Citi in Turkey

Citi Turkey started doing business in Turkey in 1975 with corporate banking services and began to operate as a branch in 1981. However, even before the bank established a presence in Turkey, Citi Turkey was involved into many development projects such as motorway financings, power plants and dams.

In 1998 Citi Turkey began providing Commercial Banking services. Citi Turkey provides loans, treasury products, corporate finance, cash management, foreign trade finance and custody services to its corporate and commercial customers.

Citi Turkey serves its corporate and commercial customers through its branches, CitiDirect internet banking, CitiFX Pulse internet foreign exchange internet banking and CitiService phone banking services.

In 2007, Citi acquired Opus Menkul Değerler A.Ş. and has started to provide security services in Turkey as Citi Menkul Değerler A.Ş.

Market Overview

The Central Bank of Turkey (CBRT) adopting the floating exchange rate regime under which exchange rates are determined by supply and demand conditions in the market. Main Currency Pairs: G10 currencies, RUB (Russian Ruble), CNH (Chinese Yuan Offshore) ag. TRY. Main volumes are coming from Corporates/ Government and Public Sector.

Corporate do X for business/hedging purposes and do not much have speculative deals.

Policy rate: 1 week repo rate set by CBT, Local Bonds: Turkgb ticker, max tenor 10y.

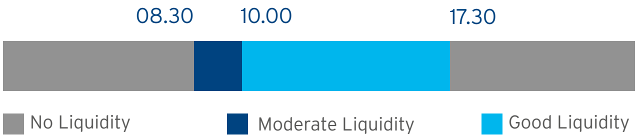
IRS MARKET: Established in 2019, TLREF is the reference rate (which is the weighted average of the secured o/n repo transactions in Borsa Istanbul.

Convertibility
Fully convertible. CBRT Exchange Rate Policy can be seen from the following address. https://www.tcmb.gov.tr/wps/wcm/connect/EN/TCMB+EN/Main+Menu/Core+Functions/Exchange+Rate+Policy

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✗	✗	✓
Offshore	✓	✓	✗	✓	✗	✗	✓
Onshore volume (MM USD daily)	200 – 3,000	2000 – 4000	N/A*	50 – 100	N/A	N/A	20 – 40
Offshore volume (MM USD daily)	500 – 1,000	1500 – 3000	N/A*	100 – 700	N/A	N/A	100
Onshore max tenor (or typical tenor for spot)	T + 0/T+1	up to 2 years	N/A	Up to 5 years	N/A	N/A	up to 10 years/ ave 3 – 5 years
Offshore max tenor (or typical tenor for spot)	USDTRY: T+1 EURTRY: T+2	up to 2 years	N/A	Up to 5 years	N/A	N/A	up to 10 years/ ave 3 – 5 years
Onshore typical deal size (MM USD)	2 – 5	3 – 5	N/A	3 – 5	N/A	N/A	5 – 10
Offshore typical deal size (MM USD)	15 – 20	5 – 25	N/A	20 – 50	N/A	N/A	25 (1yr)
CitiFX Pulse Capabilities	✓	✓	✗	✓	✗	✗	✗

* Central Bank conducted auctions for NDF contracts between 2017 Nov till 2018 November for the local banks. Currently there is no such auction.
** Volumes specified in the table show the picture of 2020 and they reflect Covid-19 related developments so they are below market average numbers when compared to previous years. We would expect a spike in the volume in line with normalization of the market.
*** Few broker prices but does not trade often enough to give an idea of Daily Market Volume.
Source: Citi indicative information

Market opening hours and liquidity during the day



The FX market is open 24h on business days. But there is little to no liquidity outside of 08.30 – 17.30 (local time).

Central Bank Indicative exchange rates (incl. ticker)

Central Bank of Turkey announces indicative exchange rates at 15.30 Turkey time on each business day. Exchange rates determined by the method, can be reached on following address https://www.tcmb.gov.tr/wps/wcm/connect/EN/TCMB+EN/Main+Menu/Core+Functions/Exchange+Rate+Policy/Foreign+Exchange+and+Banknotes+Markets/Indicative+Exchange+Rates.

The client can see this rate on CBTA Reuters page after 15.30. On Bloomberg, from TCMB page, choose 21) FX indicative rates. These rates are not binding on any institution and cannot be used for fixing sales exchange rates purposes.

Regulation

Taxation

There is FX spot transaction tax of 0.2% applied for corporates buying (both ag TRY and ag FCY). There are exemption set out in the regulations. For details please contact Citi TR Markets team.

Offshore restrictions

Resident entities are is permitted to transact FX with a non-resident entity. Subject to few regulative rules, but no restriction. A non-resident entity can trade TRY with other non-resident entities subject to their jurisdiction's regulations. Non-resident banks are not allowed to market any product in Turkey. Resident companies may contact non-resident banks on non-solicited basis. Resident company may use the intermediation of a resident bank to execute deals with non-resident bank for FX derivatives transactions. Resident company should have an intermediation agreement with resident bank. It should have a master agreement with non-resident bank. There should be a service agreement between resident and non-resident bank regarding intermediation (transmission of order). Resident bank should have a license for Transmission of Order.

Resident entities are not permitted to conduct leveraged transactions (as defined under Communique regarding Investment Services (III-37.1)) through an offshore entity.

Resident banks reports daily all the derivative transaction to Central Repository Agency on behalf of resident companies. If resident companies execute derivative deals with a non-resident entity, companies might have the obligation for reporting. They should check the regulation with their advisors.

Non-resident restrictions

Non-resident entities are permitted to transact FX with an resident bank. For Spot dealing no master agreement required. For FX swaps, FX forwards and FX options, local master agreement between the company (either resident or non-resident) and the bank should be in place.

There are restrictions on resident banks to execute FX derivatives involving TRY with non-resident entities upto certain ratio of their regulatory Capital. For details please contact Citi TR Markets team.

License requirements

The bank should have a "Banking License" from Banking Regulation & Supervision Agency. In addition to that it should have "Portfolio Brokerage License" for onshore derivative dealing by Capital Markets Board. If the bank would intermediate between a corporate and offshore bank, it should also have "Transmission of Order License" by Capital Markets Board (additionally, service agreement between offshore bank and local bank should be in place).

Requirements to open a foreign currency account

There is no additional specific requirement to open a foreign currency account when compared to local currency account requirement. But Turkish residents cannot utilize FX loans except in certain cases.

Deal Management

Rollover: Yes with FX swaps but with prevailing market levels.

Unwinding: Yes; with the reverse deal (opposite direction of the original deal) executed with same tenor of the original transaction

Early Maturity: Clients can use FX Swaps to bring maturity date closer.

Documentation Requirements

Product specific

No local law documentation requirements for spot dealing. Citi may require an agreement to be signed by some clients as per its internal risk procedures. For all other deal types regulated by Capital Markets Board, all clients need to sign master agreement before dealing. Following deals, companies have to sign instructions and later they need to sign confirmation for derivative deals , (Regulatory Name: Deal Transaction Instruction & Summary Form). Companies can confirm fx spot, fx forward and fx swap deals via MT messages instead of signing the Instruction & summary form. Companies have to sign a separate short agreement to confirm messages via MT Messages.

Trade flows

Residents in Turkey and Non-residents may freely keep foreign exchange; purchase foreign exchange from and sell foreign exchange to banks. Documents are required depending on the type of transfers and banks shall inform Central Bank of Turkey about foreign exchange transfers abroad (including transfers made from foreign exchange deposit accounts), excluding payments for exports, imports and invisible transactions that are above USD50.000, – or its equivalent in another foreign currency within a 30 day-period starting from the date of transfer. Foreign investors are not subject to any restriction regarding FX and there are no restrictions on cash accounts or cash movements for foreign investors and domestic investors.

Capital flows/FDI

Documentation is required when there is a direct capital investment (or capital increase). There is a detailed regulation on the requirements. Investors can freely fund trades and repatriate funds through multiple banks. Deadlines may differ for each bank. Investors can FX clean cash.

Additional Comments

CCS and IRS are not offered out of Citi Turkey. It is not very possible to make a distinction between onshore and offshore volume.

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Subsidiary Funding – Tax Consideration
Tax Summary – Turkey

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	10% WHT • Under certain tax treaties can be reduced to 5-10% Interest is also subject to 18% reverse charge VAT	No WHT	No WHT applies to local (3rd party) bank, however 5% BITT applied on interest If lender not a bank, interest is subject to 18% VAT	N/A	15% WHT on dividends • Under certain tax treaties can be reduced to 5% Note: dividend distributions to resident entities and branches of non-resident entities are not subject to WHT
Deductibility of interests	Interest is deductible, up to portion D/E > 3 (Thin cap 3:1) In case D/E > 3, exceeding portion of the debt is considered thin capital and corresponding interest and FX losses are not deductible. Corresponding interest will be treated as disguised dividend distribution and is subject to dividend WHT Transfer pricing rules apply (i.e. arms length rule) New regulation not applicable yet (see note)*	Fully deductible	Fully deductible	N/A	N/A
Deductibility of FX losses	FX losses are generally deductible However, FX losses corresponding to thin capital are non-deductible		FX losses are generally deductible If intercompany, explanations in the "inter-co debt" column apply	Realized FX losses are deductible	Non-deductible
Other taxes, duties	Resource Utilisation Support Fund (RUSF) regressive rates apply to borrowings from abroad, depending on ccy and maturity: Maturity / FCY Loans / LCY Loans <1 year: 3% / 1% 1 (incl.)-2yr: 1% / 0% 2 (incl.)-3yr: 05.% / 0% >=3 yr: 0% / 0% RUSF bases differ based on loan type and currency. RUSF calculated over:1) FCY loan- Over the principal amount 2) LCY loan- Over the interest payments FX-indexed loan: Over the interest payments + exchange difference of principal between drawdown date and re-payment date. Turkish residents are not allowed to receive FX indexed loan.	Loans received by banks and financing companies are exempt from RUSF	Special incentive for residents** – deductible interest calculated as follows: Latest 'annual weight. avrg interest rate applied to loans provided by banks' announced by the CB of Turkey will be applied to capital increases paid in cash and cash part of initial capital for newly established entities. Only 50% of the calculated amount can be deducted from the corporate income tax	N/A	0% WHT on capital gains derived from listed equities on the Istanbul SE bought after 1 Jan 2006
Comments	N/A	N/A	N/A	N/A	N/A

** In case the liabilities of the company exceeds the equity of a Turkish company, then up to 10% of the total amount of the expenses made under the name of the interest, commission, late charges, FX losses and similar costs (other than amounts included in cost of investment) related with the exceeding part would be treated as non-deductible for the Turkish company. However, since the exact rate is not determined yet by the Turkish Council of Minister (it is only determined as up to 10%, but it is uncertain what would be the exact rate between 0% and 10%), this regulation is not applicable for now.*

*** Law No: 663, published in the Official Gazette 7 Apr 2015: Deemed-interest deduction on cash injection as capital. Source: https://taxsummaries.pwc.com/turkey*

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Source: Relevant legislation, publicly available sources.

UGANDA (UGX – Ugandan Shilling)

Citi in Uganda

Citibank Uganda Limited opened for business in 1999 and is one of the top 10 banks in the country. Citi is highly respected in the FX market serving Top Tier Corporate clients, Government entities and Financial Institutions in the country.

Market Overview

The Bank of Uganda runs a free floating regime for FX with the key mandate of price stability. The Bank of Uganda oversees the FX Market. Main Currency Pairs: USDUGX; KESUGX; ZARUGX; EURUGX; GBPUGX. Demand is mainly from corporates, Supply is mainly from coffee exports, Diaspora remittances and NGOs.

The currency is relatively liquid; average daily FX interbank volumes at approx. $10mm and $20 during peak cycles.

Inflation targeting monetary policy with a secondary policy objective to ensure that real output is as close as possible to the economy's potential level.

Convertibility
Fully Convertible with no restrictions or prerequisites.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✗
Offshore	✓	✓	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	40	100 – 200	N/A	N/A	N/A	N/A	
Offshore volume (MM USD daily)	40 – 50	20 – 30	Bespoke Hedge Dependent	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	
Offshore max tenor (or typical tenor for spot)	T + 2	2 years	Bespoke Hedge Dependent	N/A	N/A	N/A	Bespoke hedge dependent
Onshore typical deal size (MM USD)	0.25 – 0.75	1 – 5	N/A	N/A	N/A	N/A	
Offshore typical deal size (MM USD)	1 – 3	1 – 5	Bespoke Hedge Dependent	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Fixing (incl. ticker)

No fixing.

Regulation

Offshore restrictions

No restrictions.

Non-resident restrictions

No restrictions.

License requirements

None.

Requirements to open a foreign currency account

Standard KYC documentation is required.

Deal Management

Rollover: No restrictions. Gross settled.

Unwinding: No restrictions. Gross settled.

Early Maturity: No restrictions. Gross settled.

Documentation Requirements

Product specific

No local law documentation requirements.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

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Source: Relevant legislation, publicly available sources.

UKRAINE (UAH – Ukrainian Hryvnya)

Citi in Ukraine

Citi has been present in Ukraine since 1998 and has a broad corporate client base, among which are multinational companies, large local corporates, different financial institutions and banks.

Market Overview

The National Bank of Ukraine (NBU) oversees a floating exchange rate regime. NBU is actively intervening in the market. Main volumes are coming from Corporates. Most trades are done for business/hedging reasons. Main Currency Pairs: USDUAH (70%); EURUAH (20%); rest is mostly RUBUAH; GBPUAH and CHFUAH.

IR market presented mostly by Government bonds denominated in UAH, USD and EUR.

Most liquid market is up to 2Y UAH bonds maturity.

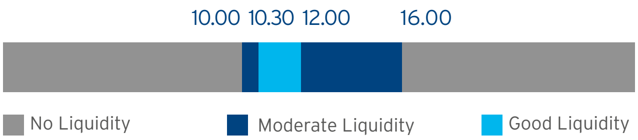
UONIA – Ukrainian Overnight Index Average, calculated and published by NBU.

Convertibility
Ukrainian Hryvnya is a restricted currency with regulated convertibility.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✓	✗	✓	✗	✗
Offshore	✗	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	100 – 300	0 – 5	0 – 5	N/A	0 – 5	N/A	
Offshore volume (MM USD daily)	N/A	N/A	1 – 3	N/A	N/A	N/A	
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	1 year	N/A	1 – 3 years	N/A	
Offshore max tenor (or typical tenor for spot)	N/A	N/A	1 year	N/A	NA	N/A	Bespoke hedge dependent
Onshore typical deal size (MM USD)	0.5 – 3	0.25 – 0.75	0.5 – 1	N/A	1 – 5	N/A	
Offshore typical deal size (MM USD)	N/A	N/A	1 – 5	N/A	N/A	N/A	
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

Official NBU USDUAH fixing is published by 4pm local time on a business day and is calculated as the weighted average rate of all local interbank FX deals concluded during the whole business day. REUTERS ticker: USDUAHFIX=.

Moreover, in order to inform the market participants of the latest USD/UAH exchange rate, NBU publishes a reference value of the USD/UAH exchange rate which is calculated based on the transactions concluded in the Ukrainian FX interbank market as of 12:00 p.m. of a business day. REUTERS ticker: USDUAHREF=NBUK.

The NBU has no obligation to make transactions based on the reference value or official exchange rate of the USD/UAH.

Ukrainian Government Bonds (UKRGB) market.

Primary auctions

Weekly auctions on Tuesdays.

Participation via Primary dealers (CITI – #1 Primary dealer in 2019).

Maturities: 3M, 6M, 1Y, 2Y, 3Y and 5Y.

UKRGB – tradable in Clearstream Banking S.A.

Onshore secondary market typical deal sizes – 1 – 2MM USD.

Onshore secondary market volume – 10 – 20MM USD daily.

Citi Ukraine provides full brokerage service in domestic UAH Govt bonds.

Regulation

Offshore restrictions

Onshore entity (e.g. resident corporate) is not permitted to transact FX with an offshore entity (e.g. offshore bank). Offshore NDF can be done only between two offshore entities.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) is permitted to transact FX with an onshore entity (e.g. onshore bank).

For non-bank non-residents the investment accounts are required while for banks non-residents FX can be done through correspondent accounts.

License requirements

No specific license requirements for onshore transactions.

Requirements to open a foreign currency account

Foreign currency account should be opened for each currency of transactions.

Deal Management

Rollover: Permitted for purpose of goods and services.

Unwinding: Unwind/Net settlement is not allowed.

Early Maturity: Permitted for purpose of goods and services and loan repayments.

Documentation Requirements

Product specific

Although the local market experienced a wave of FX liberalization over the last two years, Ukraine still has a rather complex legislation that regulates FX transactions of companies and banks. In addition, the legislation often changes during the year and new requirements are often issued by separate rulings, letters or directives. Due to such regulatory conditions, usually banks in Ukraine have separate so called "Currency Control" departments in their structure, specialists of which have dual roles, they: 1. communicate with clients on question of FX related regulatory requirements to advise them what documents shall be prepared and provided to the bank for FX execution, and 2. review provided by clients documents and control the fulfilment of all necessary regulatory requirements. The most important legislative requirement that regulate FX transactions in Ukraine is that in order to convert UAH into FCY the client should provide to his servicing bank a full list of required documents, which will be reviewed by a servicing bank at least 1 day before the execution of FX transaction. No UAH prefunding is needed for FX purchase anymore. FX purchase for amounts lower than UAH 400 thousand equivalent are exempt from Currency control check and do not require any supporting documents. No FX mandatory sale in place anymore, Both FX purchase and FX sale are executed on T+0 basis.

FX hedging.

The following onshore FX hedging instruments are available:

1. Deliverable FX forward. Both sides of exposure can be hedged. For forward purchase currency control requirements apply,
2. Non-deliverable FX forward (NDF). FX obligations are required to support NDF FX purchase.
3. FX swap: one sided only. Residents are allowed to only sell FCY ag UAH on the near leg and buy FCY on the far leg. While non-residents are allowed to only do the opposite, i.e. to buy FCY on the near leg ag UAH, and to sell FCY on a far leg.

Trade flows

Ukraine FX purchase to be handled via single FX bank only for each import contract with stringent documentation requirements. FX purchase is executed on a T+0 basis. Purchased FCY should be used for the purpose it was purchased and paid out within 10 working days from the date of purchase.; FCY buy forward is allowed only for import of goods and services and loan repayment). LCY loans/overdrafts are allowed for FX purchase transactions. The bank has right to request additional documents and information from the client necessary for analysing the financial transactions, especially for verification of: FCY purchases; X-border FTs; Loans from non-residents, etc.

For FX forward sale no regulatory restrictions apply and no supporting documents are needed.

Capital flows/FDI

Similar to Trade Flows.

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16-g Dilova str. Kyiv 03150, Ukraine

FX Sales Contact: +380-44-490 1025

Subsidiary Funding – Tax Consideration
Tax Summary – Ukraine

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	15% Interest WHT • Under certain tax treaties may be reduced	15% Interest WHT • Under certain tax treaties may be reduced	N/A	Payments under derivative contacts are not subject to WHT, but non-resident's gain derived from the sale of the derivatives subject to 15% WHT. Under DTAs may be reduced	15% Dividend WHT • Under certain tax treaties may be reduced
Deductibility of interests	Generally deductible, with deduction limited according to thin capitalisation and transfer pricing rules Thin cap rules: for entities with debts* to non-resident related parties exceed equity by 3.5x (10x for FIs) Interest deduction is limited to 50% of EBITDA The non-deductible portion of interest can be carried forward indefinitely. However, each following year the residual amount of such interest should be reduced by 5% Changes to thin cap rules, starting from 1 January 2021**	Generally deductible, but if offshore bank registered in low-tax jurisdiction (list approved by Cabinet of Ministers of Ukraine) deduction limited according to transfer pricing rules Changes to thin cap rules, starting from 1 January 2021** – thin cap rules apply to all (not only related) parties	Changes to thin cap rules, starting from 1 January 2021** – thin cap rules limitation of interest deduction will apply to all interest if debts* to non-resident exceed equity by 3.5x	There are no specific rules for corporate taxation of derivatives. The general rules of taxation therefore becomes applicable. In case of purchase derivatives from non-resident registered in low-tax jurisdiction (list approved by Cabinet of Minister of Ukraine) deduction limited according to transfer pricing rules	
Deductibility of FX losses	Both realised and unrealized FX losses are tax-deductible				
Other taxes, duties	It is not currently possible to register a branch of a foreign legal entity in Ukraine. A foreign company may set up a representative office instead.			Derivatives are not subject to VAT.	
Comments	N/A	N/A	N/A	N/A	N/A

** For the purposes of thin capitalisation rules, debt includes any loan, deposit, repo transactions, financial leasing, and any other debenture, regardless of its legal form*

*** Changes to thin cap rules, starting from 1 January 2021:*

Interest expense deductibility under transaction with all counterparties (including residents) limited to 30% of (corporate income tax base + financial expenses + tax depreciation).

Capitalized interest part of value of non-current assets shall be included to interest expenses proportionately to depreciation of such assets.

If amount of interest expenses exceeds amount in accordance with arm's length principle, then thin capitalisation rules will apply only to interest corresponding with the arm's length principle.

The "thin capitalisation" rules will no longer apply to FI's and companies engaged exclusively in leasing activities.

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Source: Relevant legislation, publicly available sources.

UNITED ARAB EMIRATES
(AED – United Arab Emirates Dirham)

Citi in United Arab Emirates

Citi has been in UAE since 1964, and has four branches and two financial centers across the country. Our partnerships in Iraq, Saudi Arabia & Oman is supported through Citi Dubai as it is the Hub for MENA (Middle East North Africa region).

Citi offers comprehensive banking products and services to corporate banking relationships for top tier local corporates, SME's and subsidiaries of large multinationals.

Market Overview

The local currency is pegged to USD and there are no restrictions on FX dealing. Central Bank provides liquidity on both sides. Market is fairly liquid for tenors up to two years.

Majority of the volume is in USDAED followed by other GCC currencies.

UAE AED IRS market is upto 10yr with 5yr part of the curve being most liquid. 3m Eibor is the benchmark interest rate. Social size is 10 – 25 Mio USD. Both locals and offshore accounts are active in this market.

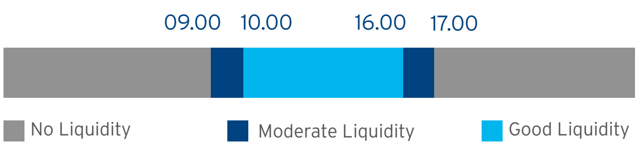
Convertibility
Fully convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✓	✓	✗	✓
Offshore	✓	✓	✗	✓	✓	✓	✓
Onshore volume (MM USD daily)	500 – 750	250 – 500	N/A	Limited liquidity, quotes available on RFQ basis	50 – 100	N/A	20 – 50
Offshore volume (MM USD daily)	500 – 750	250 – 500	N/A	Limited liquidity, quotes available on RFQ basis	50 – 100	N/A	Limited liquidity, quotes available on RFQ basis
Onshore max tenor (or typical tenor for spot)	T + 2	5 years	N/A	2 years	10 Years	N/A	10 years
Offshore max tenor (or typical tenor for spot)	T + 2	5 years	N/A	2 years	10 years	5y, 5y maturity for swaption's underlying swap	10 years
Onshore typical deal size (MM USD)	25 – 75	25 – 75	N/A	Limited liquidity, quotes available on RFQ basis	10 – 25	N/A	25 – 75
Offshore typical deal size (MM USD)	25 – 75	25 – 75	N/A	Limited liquidity, quotes available on RFQ basis	10 – 25	2 – 15	Limited liquidity, quotes available on RFQ basis
CitiFX Pulse Capabilities	✓	✗	✗	✗	✗	✗	✗

Source: Citi indicative information

Market opening hours and liquidity during the day

Market open between 09.00 – 17.00.



Fixing (incl. ticker)

No fixing for AED.

Regulation

Offshore restrictions

Onshore entities are permitted to transact FX with an offshore entity (e.g. offshore bank).

Non-resident restrictions

Non-residents are permitted to transact FX with an onshore entity (e.g. onshore bank).

License requirements

None.

Requirements to open a foreign currency account

Foreign currency accounts can be opened.

Deal Management

Rollover: Permitted.

Unwinding: Permitted.

Early Maturity: Permitted.

Documentation Requirements

Product specific

No underlying documents are required – only settlement instructions.

Trade flows

No local law documentation requirements.

Capital flows/FDI

No local law documentation requirements.

Citibank NA, UAE
PO Box 749
Dubai, UAE

FX Sales Contact: +971 4604 0111

Subsidiary Funding – Tax Consideration
Tax Summary – United Arab Emirates

Item	Inter-Co Debt Offshore	Bank Loans Offshore	Local Borrowing	Derivatives	Equity
W/H Tax	No WHT • Under certain tax treaties WHT applies			N/A	No WHT • Under certain tax treaties WHT applies
Deductibility of interests	Deductible In cases of net losses in any given year, losses can be carried forward for only 2 years				N/A
Deductibility of FX losses	Deductible In cases of net losses in any given year, losses can be carried forward for only 2 years				
Other taxes, duties	VAT exemption applies to certain FIs Interest Income/Expense/FX income exempt				General VAT rate of 5%, with some goods and services being VAT exempt VAT exemption applies to certain financial services Interest income/expense /FX income exempt
Comments	N/A	N/A	N/A	N/A	N/A

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Source: Relevant legislation, publicly available sources.

ZAMBIA (ZMW – Zambian Kwacha)

Citi in Zambia

Citi has been in Zambia since 1979 and operates two corporate branches. Client portfolio includes the public sector, top-tier Zambian corporates, multinationals, and financial institutions operating in the country.

Market Overview

The Bank of Zambia maintains a free floating exchange rate regime with occasional intervention to smoothen out excessive volatility.

Main currency pairs traded are: USDZMW, ZARZMW, EURZMW and GBPZMW.

Key players in the FX market are from the Energy, Construction, Mining and Agriculture sectors.

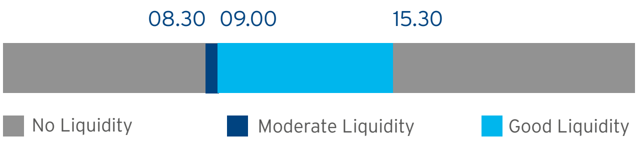
Interest rates are market determined. By regulation, the Policy Rate, introduced in April 2013, serves as the lending base rate. The Policy Rate is reviewed quarterly by the Bank of Zambia Monetary Policy Committee (MPC).

Convertibility
Convertible.

	FX Spot	FX Forwards	NDFs	FX Options	Interest Rate Swap	Interest Rate Options	XCCY swaps
Market Overview							
Onshore	✓	✓	✗	✗	✗	✗	✓
Offshore	✓	✗	✓	✗	✗	✗	✓
Onshore volume (MM USD daily)	25 – 50	2 – 10	N/A	N/A	N/A	N/A	Negligible
Offshore volume (MM USD daily)	5 – 10	0 – 5	0 – 5	N/A	N/A	N/A	Negligible, settled on NDF basis
Onshore max tenor (or typical tenor for spot)	T + 2	1 year	N/A	N/A	N/A	N/A	1 year
Offshore max tenor (or typical tenor for spot)	T + 2	1 year	1.5 year	N/A	N/A	N/A	5 years
Onshore typical deal size (MM USD)	0.5 – 3	0.5 – 3	N/A	N/A	N/A	N/A	2 – 10
Offshore typical deal size (MM USD)	0.5 – 3	0.5 – 3	0 – 2	N/A	N/A	N/A	Transactions are episodic
CitiFX Pulse Capabilities	✓	✓	✗	✗	✗	✗	✓

Source: Citi indicative information

Market opening hours and liquidity during the day



Fixing (incl. ticker)

There is no local fixing.

Regulation

Offshore restrictions

Onshore entities (e.g. resident corporate) are permitted to transact FX with an offshore entity (e.g. offshore bank). There are no restrictions. However, onshore entities cannot fund (ZMW) to an offshore entity (e.g. offshore bank) for tenor less than one year.

Non-resident restrictions

Non-resident (e.g. non-resident corporate) are permitted to transact FX with an onshore entity (e.g. onshore bank).

There are no restrictions, however, the non-resident corporate must have an account with onshore bank. Any remittance of foreign currency by the non-resident must have supporting documentation showing reason for the remittance.

License requirements

No license required for all FX dealings and securities transaction. However, for the latter a CSD account will need to be opened with the central bank.

Requirements to open a foreign currency account

Full KYC as per local regulation and Citi internal requirements. Foreign currency account can be credited with local currency.

Deal Management

Rollover: Yes. At prevailing market prices, tenor up to 1 year subject to credit limits.

Unwinding: Yes. At prevailing market prices plus a cost.

Early Maturity: Yes cash settled, Zambia is not a netting jurisdiction.

Documentation Requirements

Product specific

For amounts greater than USD5,000 being remitted outside the country, proof of payment must be provided to the bank.

Trade flows

For amounts greater than USD5,000 being remitted outside the country, proof of payment must be provided to the bank.

Capital flows/FDI

No restrictions, however the regulator encourages transacting with local counterparties.

Additional Comments

Since June 2020, mining companies are required to pay all taxes in USD (previously paid in LCY) directly to the Central Bank. This has led to USD liquidity challenges in recent months on the forex market as mining tax inflows were a significant source of forex supply.

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Stand No. 4646 Addis Abba Roundabout,
P.O. Box 30037, Lusaka, Zambia

FX Sales Contact: +2602 1144 4400

Subsidiary Funding – Tax Consideration
Tax Summary – Zambia

<table>
<tr><th>Item</th><th>Inter-Co Debt Offshore</th><th>Bank Loans Offshore</th><th>Local Borrowing</th><th>Derivatives</th><th>Equity</th></tr>
<tr><td>W/H Tax</td><td>20% WHT
• Under certain tax treaties may be reduced</td><td>20% WHT
Under certain tax treaties may be reduced</td><td>15% WHT
2020 Budget: WHT Exemption on interest payable to local FIs licensed under the Banking and Financial Services Act, 2017.</td><td>20% Offshore
15% Local</td><td>20% WHT on dividends to residents
• Under certain tax treaties may be reduced
15% WHT on dividends to residents</td></tr>
<tr><td>Deductibility of interests</td><td colspan="3">Generally deductible, if loan is for business purposes (or production of another source of income)
Thin cap rules: Deductibility of interest is limited to 30% EBITDA. Exceptions: businesses on turnover tax system and FI's under the Banking & Financial Services Act.
Any unrelieved interest may be carried forward (up to 5 years) for deduction if total interest deducted <= 30% of the EBITDA for the year
Transfer pricing rules apply (i.e. arms length rule)</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Deductibility of FX losses</td><td colspan="3">FX losses are only deductible if they are revenue in nature and realised
• Exception: FX losses of capital nature on borrowings for construction of industrial/commercial building are deductible</td><td>N/A</td><td>FX losses are only deductible if they are revenue in nature and realised
• Exception: FX losses of capital nature on borrowings for construction of industrial/commercial building are deductible</td></tr>
<tr><td>Other taxes, duties</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Comments</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

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