

**Employee Local-to-Local
Global Relocation Policy****September 1, 2012****I. INTRODUCTION**

Every day, you and your colleagues help shape the future of our company. In order to help you and Citi continue to grow, we support a number of mobility programs designed to help you and your family make the transition to a new work country. The Citi Local-to-Local Policy is intended to promote employee mobility (consistent with business needs and development goals) and is designed to facilitate transfer of Citi employees to different countries to share and develop their skills.

The Local-to-Local policy is designed to promote global mobility throughout Citi. The program features core and flexible benefits that may be applied to each move, and therefore may vary. All employees will receive core benefits.

The following policy outlines the support available to you when transferring from a local employment contract in one country to a new local employment contract in another country. This is typically referred to as a local-to-local transfer.

Your current country of employment is referred to as the Sending Country. The new country of employment is called the Receiving Country.

Under this arrangement your current long-term benefit arrangements (e.g., pension and social insurance) end, following the provision of those benefit plans, and new benefits/compensation arrangements are provided under the local terms of the Receiving Country. Due to the nature of a local-to-local move, Citi does not provide relocation assistance if you decide to return to the Sending Country.

OVERVIEW OF EMPLOYMENT TERMS

By agreeing to a local-to-local transfer, you are accepting a work assignment with Citi in the Receiving Country and you will cease performing any work-related duties in the Sending Country. Other aspects of your employment with Citi or one of its subsidiaries or affiliates will be affected by your transfer as well. Below are some examples:

- You will become an employee of the local Citi entity (legal vehicle) and employment with any other Citi entity will cease.
- As of the date you begin working in the Receiving Country (your “Transfer Date”), your compensation, including without limitation salary and any discretionary incentive and/or retention award, will be provided

under the terms and conditions of the Receiving Country's policies and practices and any such payments will be made in the local currency of the Receiving Country.

- The treatment of any award under the Capital Accumulation Program ("CAP") or any other Citi equity plan or program awards made to you will continue be governed by the prospectus applicable to such award at the time of award.
- You will pay all income, social, and other taxes applicable to you in both the Sending and Receiving Countries. You are also responsible for paying all taxes incurred as levied through at-source withholding or determined via income tax return (or a combination of both). Tax preparation support is available to you in the year of your transfer.
- As of the Transfer Date, all benefits, perquisites and entitlements that you may have been eligible to receive under the policies and practices of the Sending Country (including but not limited to retirement rights and benefits) will be terminated, unless
Otherwise provided by applicable law (e.g., vested benefits in a pension plan).
- You will become eligible to participate in the local retirement / pension plan, if applicable, appropriate to your employment in the Receiving Country, subject to the rules of the scheme. Your participation and eligibility to make contributions (if applicable) to your Sending Country Retirement / Pension plan will end upon your Transfer Date. However, subject to the rules of the scheme you may be able to continue to direct the investment of your account balance.
- As of the Transfer Date, you may participate in all benefits and perquisites for which you are eligible in the Receiving Country. Your Receiving Country Mobility Coordinator will assist with benefit enrollment.
- Your service with Citi in a prior location, including but not limited to the Sending Country, will be calculated and may be recognized for certain purposes, including but not limited to pension vesting and vacation eligibility, based on the applicable plans, policies and practices in effect in the Receiving Country, as may be amended from time-to-time.

Taxation of Equity Income

Taxation of equity income varies by country. Many countries require tax reporting of equity income awarded/earned prior to departure even though the taxable event date will occur post-departure. This income could include income from the exercise of nonqualified stock options and/or the vesting of restricted or deferred (CAP) shares.

In accordance with local tax laws and regulations, Citi reports and withholds income and social taxes on equity income wherever required. This may include reporting and withholding as required in countries in which you previously worked for Citi. In addition, you are responsible for complying with all applicable tax laws to safeguard our reputation in the countries in which we operate. You are responsible for filing income tax returns with all local taxing jurisdictions. Failure to file returns can result in significant penalties and interest charges, and can lead to travel restrictions.

Before relocating, please review the tax implications of your equity holdings with your personal financial advisor.

POLICY INTERPRETATION

Nothing in this Policy constitutes a contract of employment or a guarantee that your employment will continue for any definite period of time. Citi reserves the right at any time to create, amend, supplement, modify or rescind, in whole or in part, this Policy, with or without notice. In the event of any conflict between the description of employee benefits in this Policy, the Summary Plan Descriptions, or the plan documents, the plan documents, any changes thereto, and applicable laws shall govern. This Policy supersedes any employment policy or practice that may be inconsistent with or precedes this Policy's distribution.

If you have any questions about the interpretation or application of this Policy or if you have any questions not answered here, please consult your Mobility Coordinator or Human Resources Representative.

II. BENEFITS

Core benefits are offered to full-time Citi employees moving from the Sending Country to the Receiving Country. As a result of a local-to-local transfer, you are eligible to receive benefits for 12 months beginning on the Transfer Date for yourself, your spouse/domestic partner and dependent children who relocate with you.

Dependent family members are your spouse (i.e., husband or wife) or domestic partner and your unmarried dependent children up to age 19 living with you full time at your new country of employment. Unmarried, non-self-supporting children who are full-time university students are also considered dependents until the end of the calendar year in which they reach their 25th birthday. Dependent children who do not live with you in the new country of employment full time are not considered dependent family members for benefits. This also applies to your domestic partner's biological or adopted children; a child for whom your domestic partner has legal guardianship; or a child who has been placed in your home for adoption.

Your domestic partner will be eligible for benefits under the policy only if an immigration visa/work permit can be issued to enable him/her to remain in your new country of employment. You and your partner may be of the same or opposite sex and both of you must meet the following criteria:

- You currently share a principal residence and intend to do so permanently;
- You have lived together for at least six consecutive months prior to enrollment;
- Neither you nor your domestic partner is legally married to another person;
- Both of you are at least 18 years old and mentally competent to consent to contract
- You are not related by blood to a degree of closeness that would prohibit marriage were you of the opposite sex;
- Neither you nor your domestic partner can be in a domestic partnership with anyone else;
- You have mutually agreed to be responsible for each other's common welfare; and
- You are in a relationship that is intended to be both permanent and one in which each is the sole domestic partner of the other.

The provisions of this Policy are intended to support most of your relocation-related needs. However, Citi cannot address all relocation or financial issues that may arise from your personal circumstances.

The following describes the benefits that will be made available in your transfer to the Receiving Country. Keep in mind that some of the components below may differ depending on the Receiving Country's policies and practices.

Core benefits are described below and may be found on [Global Mobility Citi For You](#)

Core Benefits include:

1. **Final Transportation Travel:** The Company will reimburse one-way airfare for you, your spouse/or domestic partner and dependent children traveling with you. This also includes transportation to and from the airport. Class of travel must follow Citi's Corporate Travel Policy. If needed, you will be reimbursed for up to two nights/three days of lodging and meals prior to departure to the Receiving Country.

Travel is expected to be between the Sending and Receiving countries by the most direct route. The travel time, including all authorized business stopovers and any delays caused by transportation difficulties beyond control, is considered business time (not vacation or personal time).

Other modes of travel

You and accompanying family may travel by different modes of transportation, the most direct route between the Sending and Receiving Countries is used. For example, if transferring from a neighboring Sending Country, the employee may want to go by car. However, the employee should work with the Mobility Coordinator or Human Resources representative to understand if there are any restrictions in the Receiving Country. Travel by sea will not be reimbursed.

2. **Excess Baggage:** The cost of excess baggage will be reimbursed to you and family (*if applicable*) in the amount of \$500 per person. This amount will be covered for a one way trip to the Receiving Country.
3. **Temporary accommodations:** 30 days in the Receiving Country. You are expected to make every effort to locate a permanent property in the Receiving Country in the most expedient manner. Upon arrival, The Company will provide up to 30 days of temporary accommodations in the Receiving Country.

You will be reimbursed for meals and laundry expenses, *if and only if*, the temporary accommodations are without cooking and/or laundry facilities, following local limit/caps.

You must arrange for temporary accommodations through the Mobility Coordinator, Cartus representative (in locations where Cartus is present), or a Human Resources representative in the receiving country. If temporary housing is not available, an approved hotel room (room and tax only) will be booked by contacting Citi's travel department. All hotel stays must comply with the Corporate Expense Management Policy (CEMP).

4. **Tax Assistance/Gross-Up:** Citi provides tax assistance and support with tax gross-up costs on relocation allowances or reimbursements made in connection with your approved transfer to the new location. Income tax laws vary globally and can sometimes be complicated for cross-border moves. Relocation costs paid by Citi either directly or on behalf of an employee (to third party) may result in an increased personal tax liability.
5. **Tax Return Preparation and Tax Briefing:** Citi will provide tax preparation assistance through PwC, Citi's designated tax service provider, for the year of your transfer for both the Sending and Receiving Countries, if applicable. You must provide PwC, in a timely manner, with complete and accurate information necessary to prepare your tax returns. Citi will cover the cost to file one extension, if needed. However, you will be responsible for any additional extensions. If you do not provide your tax information in a timely manner, you may forfeit this benefit.

You will be entitled to a pre-assignment tax consultation with Citi's preferred tax provider, PwC, to discuss the tax implications of the transfer in the current country of residence. You also will be offered a post-arrival tax consultation to explain employment tax issues in the new work country.

6. **Immigration:** Work Permit, Visa and Other Residency Requirements. Your work permit and/or visa and passport must be obtained before you can transfer to the Receiving Country. If the appropriate work authorization document is not obtained before the start date, the employee will not be placed in Receiving Country payroll as per the country's rules and regulations.

The Company is not responsible for ensuring visas to dependent children between the ages of 19 and 25 in the Receiving Country, as laws in each country differ for dependents. Therefore; it is advisable to ensure the employee is notified of the local laws pertaining visas and/or work permits before the move.

The Mobility Coordinator or Human Resources representative and the appropriate business contact in the Receiving Country will be responsible for coordinating the relocating employee's work permit and/or visa and passport applications as per the Receiving Country's immigration process and/or designated vendor. The Company will support and assist the employee's applications for visas and/or work permits associated with the transfer. This support shall also include the application of dependant visas for all accompanying family members with reservation that no visa restrictions apply in Receiving Country, especially in the case of unmarried partners.

You are responsible for providing all necessary supporting documents upon request and the employee is fully responsible to maintain their work authorization in place, in order to continue employment as well as those of accompanying family members.

The company does not guarantee nor make any other commitments to you in obtaining and maintaining legal right to work or for permanent work permits. The Receiving Country business unit should incur all reasonable customary costs associated with obtaining and maintaining your work authorization during employment at Citi. Please refer to local immigration policy for further details.

U.S. Residents

For U.S. Permanent Residents please note that in order to maintain a Lawful Permanent Resident (LPR or "green card") status, you must continue to maintain the intent to reside in the United States permanently. One important indicator of such intent is the filing of Federal and State income tax returns as a U.S. resident. If you will remain outside the U.S. for over one year continuously, the employee will not be permitted to present the Permanent Resident Card ("Green Card") as a travel document for reentry to the U.S. You will be required to present a valid Reentry Permit.

You must apply for a Reentry Permit before departure from the U.S. for an extended trip abroad. It can be presented as a travel document for reentry to the U.S. during its period of validity (up to two years initially). It also serves as a strong indication that the Employee will be returning from a temporary trip abroad and have maintained the intention to reside in the U.S. permanently.

III. VOLUNTARY TERMINATION

If your employment with Citi or one of its subsidiaries or their affiliates terminates for any reason within 12 months after your Transfer Date, which is the date you begin working in the Receiving Country, other than if your employment is involuntarily terminated because of (a) a staff reduction or realignment of the work force causing elimination of your position, (b) a significant reduction, change or elimination of the need for specialized skills, (c) a relocation or dissolution of business, (d) the sale of any portion of a business if you are not offered a position by the acquiring organization at substantially the same salary rate, or (e) a schedule change that results in a loss of eligibility for benefits or a change in employment status from full-time to part-time (or vice-versa), you are required to repay the gross amount of all of the relocation expenses paid or reimbursed by Citi to you or on your behalf in accordance

with the local-to-local transfer Global Relocation Policy, including but not limited to tax assistance (“Relocation Expenses”).

Citi is not responsible for relocating you, your spouse/domestic partner, or your dependent children to your Sending Country under any circumstances.

You must sign the attached Policy Receipt Form and local-to-local transfer Repayment Agreement and return the signed agreement to your relocation coordinator or Human Resources representative. The process for relocating you to your Receiving Country may not begin until you sign and return the local-to-local transfer Repayment Agreement.



**LOCAL-TO-LOCAL TRANSFER GLOBAL RELOCATION POLICY
RECEIPT FORM**

Please complete this form and return it to your relocation coordinator or Human Resources representative within 30 days of receipt. Your failure to do so will not affect the applicability of the local-to-local transfer Global Relocation Policy or any of its provisions to you.

I have received the local-to-local transfer Global Relocation Policy and I agree to comply with it. I have read the Local-to-Local Transfer Global Relocation Policy carefully and I understand that I should contact my manager, Mobility Coordinator or Human Resources representative if I have any questions.

I understand that nothing contained in the Local-to-Local Transfer Global Relocation Policy (nor the Policy itself) is considered a contract of employment or constitutes a guarantee that my employment will continue for any specified period of time).

Signature: _____ Date: _____

Name (please print): _____

Department: _____



**LOCAL-TO-LOCAL TRANSFER
REPAYMENT AGREEMENT**

If my employment with Citi or one of its subsidiaries or their affiliates (jointly and severally “Citi”) terminates for any reason within 12 months after my Transfer Date, which is the date I begin working in the Receiving Country, other than if my employment is involuntarily terminated because of (a) a staff reduction or realignment of the work force causing elimination of my position, (b) a significant reduction, change or elimination of the need for specialized skills, (c) a relocation or dissolution of business, (d) the sale of any portion of a business if I am not offered a position by the acquiring organization at substantially the same salary rate, or (e) a schedule change that results in a loss of eligibility for benefits or a change in employment status from full-time to part-time (or vice-versa), I hereby agree to repay the gross amount of all of the relocation expenses paid or reimbursed by Citi to me or on my behalf in accordance with the Local-to-Local Transfer Global Relocation Policy (“Relocation Expenses”).

I understand and voluntarily agree that any Relocation Expenses that I owe Citi pursuant to this Local-to-Local Transfer Repayment Agreement (the “Agreement”) may be deducted from any amounts or wages owed to me by Citi upon the termination of my employment, to the extent permitted by applicable law. If these deductions are insufficient to reimburse Citi fully, I will remain liable for the balance of such Relocation Expenses and agree to pay Citi that balance within three months after my termination date.

I have read, understand, and voluntarily agree to the terms set forth in this Agreement.

Signature

Date

Name (please print)