

## INFORMATION STATEMENT DATED AUGUST 13, 2007

*This Information Statement has been prepared solely for assisting prospective purchasers in making an investment decision with respect to the Notes. This Information Statement constitutes an offering of these Notes only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell the Notes. No securities commission or similar authority in Canada has in any way passed upon the merits of the Notes offered hereunder and any representation to the contrary is an offence. The Notes offered under this Information Statement have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any securities laws of any State of the United States and may not be offered or sold in the United States or to US persons.*



### CITIBANK CANADA

## Index Optimizer Principal Protected Notes, Series 25

### Guaranteed Principal Repayment

Citibank Canada is hereby offering Index Optimizer Principal Protected Notes, Series 25 (the "Notes"), issued in denominations of \$100, the return on which is linked, in the manner provided herein, to the performance of the following indexes (each an "Index" and collectively the "Indexes"):

- Dow Jones Euro Stoxx 50<sup>®</sup> Index
- S&P 500<sup>®</sup> Index
- Nasdaq-100 Index<sup>®</sup>
- Nikkei 225<sup>™</sup> Index
- Russell 2000<sup>®</sup> Index
- FTSE<sup>®</sup> 100 Index
- Crude Oil Price Index
- Citigroup<sup>®</sup> World Government Bond Index

The performance of each Index will be its price performance, except for the performance of the Citigroup<sup>®</sup> World Government Bond Index, which will be its total return performance.

The Notes will mature on October 13, 2015 (the "Maturity Date"), subject to postponement if such date, as initially scheduled, is not a Trading Day (as defined herein) or if a Market Disruption Event (as defined herein) occurs or continues on such date. The Notes are not redeemable prior to the Maturity Date.

The Notes will not bear interest. On the third Business Day (as defined herein) following the Maturity Date (the "Payment Date"), each holder of Notes (a "Holder") as at the Maturity Date will receive, in respect of each Note held by such Holder, repayment of \$100, being the principal amount of a Note (the "Principal Amount") plus a return, if any (the Principal Amount and the return, if any, are collectively referred to as the "Maturity Redemption Amount"). The Maturity Redemption Amount will be equal to the greater of: (a) the Principal Amount, and (b) the Principal Amount multiplied by the sum of (i) 1 and (ii) the Total Locked-In Performance (as defined herein). The Total Locked-In Performance will be the sum of the eight Locked-In Performances (as defined herein) calculated as of each annual Locked-In Performance Determination Date (as defined herein). Each selected Locked-In Performance will be expressed as the difference between (i) the performance (capped at 111.25%) of the Index having shown the best performance since the Settlement Date (as defined herein) among the Indexes not previously discarded, and (ii) 1 (100%). When the performance of an Index is "locked-in" (i.e., selected to determine a Locked-In Performance), that Index is discarded for purposes of computing future Locked-In Performances.

The maximum Maturity Redemption Amount is \$190.00, which is equivalent to a simple rate of return of 11.25% per annum over eight years. This maximum return will be achieved only if each Locked-In Performance is equal to 11.25%.

**The Notes will constitute direct unconditional obligations and deposits of Citibank Canada which are guaranteed by Citibank, N.A.** The Notes will be issued on an unsecured and unsubordinated basis and will rank *pari passu*, as among themselves, and with all other outstanding direct, unsecured and unsubordinated, present and future indebtedness (except as otherwise prescribed by law or as to any sinking fund or funds or securities set aside for such indebtedness) of Citibank Canada, and will be payable rateably without any preference or priority. **The Notes will not be insured under the Canada Deposit Insurance Corporation Act or any other deposit insurance regime. See "Description of the Notes – Rank".**

**See "Risk Factors" for a discussion of factors that should be considered by prospective investors in evaluating an investment in the Notes.**

**In this Information Statement, "\$" refers to Canadian dollars, unless otherwise expressly specified.**

### PRICE: 100 % OF THE PRINCIPAL AMOUNT

Under an agreement dated as of August 13, 2007 (the "Agency Agreement") between Citibank Canada and Opensky Capital Inc. (the "Agent"), the Agent has agreed to promote, on a best efforts basis, the sale of the Notes in Canada and to form a selling group for the purposes of offering the Notes for sale if, as and when issued by Citibank Canada, in accordance with the terms and conditions contained in the Agency Agreement.

*Investors should be aware that the Notes are not securities issued by a mutual fund and purchasers do not benefit from certain rights and recourses otherwise provided by certain securities laws in connection with the issuance of such securities, including the right to receive a prospectus and other customary information documents provided by issuers, a right of rescission and certain other rights of action to rescind a purchase, revise the price of a purchase or seek damages in case documents show false or misleading information. However purchasers will receive a copy of this information statement which grants purchasers a contractual right of rescission described herein under « Right of Rescission ».*

The settlement of this offering is scheduled to occur on or about October 11, 2007 (the “Settlement Date”). Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. **Subscription for Notes must be made through the mutual fund entry system FundSERV, under the mutual fund order code OPS 043.** Subscription funds received will be deposited in an account established by the Agent at National Bank Trust, in trust for the subscribers. The interest earned by a subscriber on the subscription funds, at the rate described herein, will be used by the Agent to subscribe, for the benefit of the relevant subscribers, for the number of additional Notes (or portion thereof) corresponding to the amount of earned interest. See “FundSERV – Subscription through FundSERV”.

A global certificate for the full amount of the issue will be issued in registered form to CDS Clearing and Depository Services Inc. (“CDS”) and will be deposited with CDS on the Settlement Date. Subject to certain exceptions, certificates evidencing the Notes will not be available to Holders and registration of interests in the Notes will be made through CDS’s book-entry system. See “Description of the Notes – Book-Entry System”.

**ADDENDUM N° 1 DATED OCTOBER 3, 2007 TO  
INFORMATION STATEMENT DATED AUGUST 13, 2007**



**CITIBANK CANADA**

**Index Optimizer Principal Protected Notes, Series 25**  
*Guaranteed Principal Repayment*

**Postponement of Settlement Date**

Citibank Canada has postponed the Settlement Date of its Index Optimizer Principal Protected Notes, Series 25 (the "Notes") to on or about November 8, 2007. All references in the Information Statement dated August 13, 2007 (the "Information Statement") to the Settlement Date of "on or about October 11, 2007" are hereby replaced with the Settlement Date of "on or about November 8, 2007".

**Revised Locked-In Performance Determination Dates**

The scheduled Locked-In Performance Determination Dates of the Notes are changed to the following dates: November 10, 2008, November 9, 2009, November 8, 2010, November 8, 2011, November 8, 2012, November 8, 2013, November 10, 2014 and November 9, 2015. All references in the Information Statement to the Locked-In Performance Determination Dates of "October 13, 2008, October 12, 2009, October 12, 2010, October 11, 2011, October 11, 2012, October 11, 2013, October 14, 2014 and October 13, 2015" are hereby replaced with "November 10, 2008, November 9, 2009, November 8, 2010, November 8, 2011, November 8, 2012, November 8, 2013, November 10, 2014 and November 9, 2015".

**Revised Maturity Date**

The scheduled Maturity Date of the Notes is changed to November 9, 2015. All references in the Information Statement to the Maturity Date of "October 13, 2015" are hereby replaced with "November 9, 2015".

**Revised Early Trading Charge**

The Early Trading Charge that will be deducted from a Holder's sale proceeds for sales effected using the FundSERV network is changed to 6% of the Principal Amount from the Settlement Date up to and including February 29, 2008, and 3% of the Principal Amount from March 1, 2008 up to and including May 30, 2008. All references in the Information Statement to the Early Trading Charge of "6% of the Principal Amount from the Settlement Date up to and including December 28, 2007, and 3% of the Principal Amount from December 29, 2007 up to and including March 28, 2008" are hereby replaced with "6% of the Principal Amount from the Settlement Date up to and including February 29, 2008, and 3% of the Principal Amount from March 1, 2008 up to and including May 30, 2008".

*For further information on the Index Optimizer Principal Protected Notes, Series 25, see the Information Statement dated August 13, 2007. The Information Statement is available upon request or through the Agent's website at [www.openskycapital.com](http://www.openskycapital.com).*

## TABLE OF CONTENTS

ELIGIBILITY FOR INVESTMENT.....	3
SUMMARY OF THE OFFERING .....	4
DEFINITIONS .....	8
CITIBANK CANADA .....	10
DESCRIPTION OF THE NOTES.....	10
FUNDSERV .....	16
GUARANTEE.....	18
INDEXES .....	18
CALCULATION AGENT .....	18
USE OF PROCEEDS .....	18
RISK FACTORS .....	18
CERTAIN CANADIAN INCOME TAX CONSIDERATIONS .....	21
PLAN OF DISTRIBUTION.....	22
RIGHT OF RESCISSION .....	23
ANNEX A .....	A-1

*This Information Statement has been prepared for the sole purpose of assisting prospective investors in making an investment decision with respect to the Notes. Citibank Canada has taken reasonable care to ensure that the facts stated in this Information Statement with respect to the description of the Notes are true and accurate in all material aspects. However, Citibank Canada and the Agent make no assurances, representations or warranties with respect to the accuracy, reliability or completeness of information obtained from third parties. Furthermore, neither the delivery of this Information Statement nor any sale made hereunder implies that there has not been changes in the affairs of Citibank Canada or Citibank, N.A. or that the information in this Information Statement is correct as of any date other than the date hereof.*

*In making an investment decision, investors should rely only on the information contained in this Information Statement. Neither Citibank Canada nor Citibank, N.A. has authorized anyone to give you any different information.*

*Any directional views on the future performance of any of the Indexes expressed in this Information Statement or implied within the terms of the Notes may not reflect the views of Citigroup Inc. or any of its affiliates on any of the Indexes and are not necessarily consistent with the views of Citigroup Inc.'s research analysts on any of the Indexes. Investors should make any decision to invest in the Notes based on their own views on the likely future performance of the Indexes without reliance on Citigroup Inc. or any of its affiliates and with the knowledge that the views of Citigroup Inc. or any of its affiliates and the views of other market professionals may be different than theirs. Furthermore, neither the Agent nor any of its affiliates expresses any views on the future performance of any of the Indexes.*

*No information contained in or accessible from any website address or page herein specified shall be deemed to be incorporated in this Information Statement.*

### ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to Citibank Canada and the Agent, the Notes offered hereby will, at the Settlement Date, be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans or deferred profit sharing plans within the meaning of the *Income Tax Act* (Canada) (the "Income Tax Act") (other than a deferred profit sharing plan under which Citibank Canada or a person or partnership with which Citibank Canada does not deal at arm's length within the meaning of the *Income Tax Act* is an employer).

## SUMMARY OF THE OFFERING

The following is a summary of more detailed information appearing elsewhere in this Information Statement. Capitalized terms not defined in this summary are defined elsewhere in this Information Statement. See "Definitions".

<b>Issue:</b>	Index Optimizer Principal Protected Notes, Series 25.								
<b>Issuer:</b>	Citibank Canada.								
<b>Guarantor:</b>	Citibank, N.A.								
<b>Subscription Price:</b>	100% of the Principal Amount.								
<b>Settlement Date (Original Issuance Date):</b>	On or about October 11, 2007.								
<b>Maturity Date:</b>	October 13, 2015, subject to postponement if such date, as initially scheduled, is not a Trading Day or if a Market Disruption Event occurs or continues on such date.								
<b>Payment Date:</b>	The 3 <sup>rd</sup> Business Day following the Maturity Date.								
<b>Principal Amount:</b>	\$100 per Note.								
<b>Indexes:</b>	<table><tr><td>- Dow Jones Euro Stoxx 50<sup>®</sup> Index</td><td>- Russell 2000<sup>®</sup> Index</td></tr><tr><td>- S&amp;P 500<sup>®</sup> Index</td><td>- FTSE<sup>®</sup> 100 Index</td></tr><tr><td>- Nasdaq-100 Index<sup>®</sup></td><td>- Crude Oil Price Index</td></tr><tr><td>- Nikkei 225<sup>TM</sup> Index</td><td>- Citigroup<sup>®</sup> World Government Bond Index</td></tr></table>	- Dow Jones Euro Stoxx 50 <sup>®</sup> Index	- Russell 2000 <sup>®</sup> Index	- S&P 500 <sup>®</sup> Index	- FTSE <sup>®</sup> 100 Index	- Nasdaq-100 Index <sup>®</sup>	- Crude Oil Price Index	- Nikkei 225 <sup>TM</sup> Index	- Citigroup <sup>®</sup> World Government Bond Index
- Dow Jones Euro Stoxx 50 <sup>®</sup> Index	- Russell 2000 <sup>®</sup> Index								
- S&P 500 <sup>®</sup> Index	- FTSE <sup>®</sup> 100 Index								
- Nasdaq-100 Index <sup>®</sup>	- Crude Oil Price Index								
- Nikkei 225 <sup>TM</sup> Index	- Citigroup <sup>®</sup> World Government Bond Index								
<b>Maturity Redemption Amount:</b>	<p>At the Payment Date, a Holder will receive, in respect of each Note held by such Holder as at the Maturity Date, repayment of the Principal Amount plus a return, if any, together being equal to the Maturity Redemption Amount. The Maturity Redemption Amount is equal to the greater of:</p> <ul style="list-style-type: none"><li>(a) the Principal Amount; and</li><li>(b) the Principal Amount x (1+Total Locked-In Performance).</li></ul> <p>The maximum Maturity Redemption Amount is \$190.00, which is equivalent to a simple rate of return of 11.25% per annum over eight years. This maximum return will be achieved only if each Locked-In Performance is equal to 11.25%.</p>								
<b>Locked-In Performance Determination Dates:</b>	October 13, 2008, October 12, 2009, October 12, 2010, October 11, 2011, October 11, 2012, October 11, 2013, October 14, 2014 and October 13, 2015, each of which is subject to postponement if such date, as initially scheduled, is not a Trading Day or if a Market Disruption Event occurs or continues on such date.								
<b>Locked-In Performances:</b>	<p>As of each Locked-In Performance Determination Date, the Calculation Agent will select, among the Indexes not previously discarded, the Index having shown the best performance since the Settlement Date.</p> <p>The performance of each Index will be the ratio, expressed in percentage, of its Closing Level divided by its Starting Level. The performance of the Citigroup<sup>®</sup> World Government Bond Index will reflect the payment of interest on the securities underlying such Index (total return performance), but the performance of the other Indexes will not reflect any interest, dividends, distributions or other payments on the securities or commodities underlying such Indexes (price performance). Each selected Locked-In Performance will be expressed as the difference between (i) the performance of the relevant Index (capped at 111.25%), and (ii) 1 (100%).</p> <p>When the performance of an Index is "locked-in" (i.e., selected to determine a Locked-In Performance), that Index is discarded for purposes of computing future Locked-In Performances.</p>								

The determination of the first Locked-In Performance will be made on October 13, 2008 (i.e. the Locked-In Performance Determination Date for the period from the Settlement Date to October 13, 2008). This process will be repeated on each Locked-In Performance Determination Date of the calendar years 2009 through 2015.

By a process of elimination, on the final Locked-In Performance Determination Date in 2015, there will only be one remaining Index from which a Locked-in Performance will be obtained. In this manner, each Index will be selected once and only once and each Index will have its corresponding Locked-In Performance.

**Total Locked-In Performance:**

The Total Locked-In Performance will be calculated by adding each of the eight Locked-In Performances as follows:

$$\text{IndexR}_1 + \text{IndexR}_2 + \text{IndexR}_3 + \text{IndexR}_4 + \text{IndexR}_5 + \text{IndexR}_6 + \text{IndexR}_7 + \text{IndexR}_8$$

with “IndexR<sub>1</sub>”, “IndexR<sub>2</sub>”, “IndexR<sub>3</sub>”, “IndexR<sub>4</sub>”, “IndexR<sub>5</sub>”, “IndexR<sub>6</sub>”, “IndexR<sub>7</sub>” and “IndexR<sub>8</sub>”, representing the Locked-In Performance for the relevant Index on each Locked-In Performance Determination Date up to and including the final Locked-In Performance Determination Date.

**Starting Level:**

The closing level of the relevant Index at the regular official close of trading on the relevant exchange on the Settlement Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent.

**Closing Level:**

The closing level of the relevant Index at the regular official close of trading on the relevant exchange on each Locked-In Performance Determination Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent.

**Guarantee:**

The payment of all amounts under the Notes when and as they shall become due and payable will be irrevocably and unconditionally guaranteed by Citibank, N.A. (the “Guarantor”), the long term debt obligations of which, as of the date hereof, are rated AA by Standard & Poor’s Rating Service, a division of The McGraw-Hill Companies, Inc. (“S&P”) and Aaa by Moody’s Investors Service, Inc. (“Moody’s”). **A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency. See “Guarantee”.**

**Rank:**

**The Notes will constitute direct unconditional obligations and deposits of Citibank Canada which are guaranteed by Citibank, N.A.** The Notes will be issued on an unsecured and unsubordinated basis and will rank *pari passu*, as among themselves and with all other outstanding direct, unsecured and unsubordinated, present and future indebtedness (except as otherwise prescribed by law or as to any sinking fund or funds or securities set aside for such indebtedness) of Citibank Canada, and will be payable rateably without any preference or priority. **The Notes will not be insured under the Canada Deposit Insurance Corporation Act or under any other deposit insurance regime. See “Description of the Notes – Rank”.**

**Credit Rating:**

The Notes have not been rated. As of the date hereof, the long-term debt obligations of Citibank Canada are rated AA (high) by Dominion Bond Rating Service, Limited (“DBRS”) and AA by S&P. There can be no assurance that, if the Notes were specifically rated by DBRS or S&P, they would have the same rating as the long-term debt obligations of Citibank Canada. **A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.**

**Calculation Agent:**

Citibank Canada.

**Use of Proceeds:**

The net proceeds of this offering (after payment of the expenses related to this offering, the amount payable to the Agent and the commission payable to the members of the selling group) will be used by Citibank Canada for general banking purposes.

**Book-Entry System:**

The Notes will be evidenced by a single nominative global certificate held by CDS, or on its behalf, as registered holder of the Notes. Registration of the interests in and transfers of the Notes will be made only through the depository system of CDS. Subject to certain exceptions, no Holder will be entitled to any certificate or other instrument from Citibank Canada or CDS evidencing the ownership of the Notes and no Holder will be shown on the records maintained by CDS except through a CDS Participant. All payments on the Notes will be made to CDS, as registered holder, for distribution by CDS to its participants' accounts. The payments to be made to Holders who subscribed their Notes through FundSERV will be paid through CDS or its nominee to National Bank Trust, as CDS Participant, and will then be distributed by the Agent to Holders in accordance with the register showing records of beneficial interest in the Notes maintained by the Agent. See "Description of the Notes – Book-Entry System".

Holders will have an indirect beneficial interest in the global certificate held by CDS. See "FundSERV".

**Eligibility for Investment:**

The Notes will, at the Settlement Date, be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans or deferred profit sharing plans within the meaning of the *Income Tax Act* (Canada) (other than a deferred profit sharing plan under which Citibank Canada or a person or partnership with which Citibank Canada does not deal at arm's length within the meaning of the *Income Tax Act* (Canada) is an employer). See "Eligibility for Investment".

**Risk Factors:**

Prospective investors should carefully consider all of the information set forth in this Information Statement and, in particular, should take into account the specific risk factors associated with the investment in the Notes offered hereunder set forth in "Risk Factors".

**Income Tax Considerations:**

The excess, if any, of the Maturity Redemption Amount over the Principal Amount of a Note will be included in a Holder's income as interest, in the taxation year in which the Maturity Date occurs. Subject to the limitations outlined under "Certain Canadian Income Tax Considerations", an amount received by a Holder on a disposition or a deemed disposition of a Note (other than a payment by Citibank Canada) should give rise to a capital gain (or capital loss) to such Holder at such time to the extent such amount exceeds (or is less than) the aggregate of such Holder's adjusted cost base of the Note and any reasonable costs of disposition. **Holders who dispose of a Note within a short period of time before the Maturity Date or pursuant to a private agreement between Citibank Canada and a Holder should consult their own tax advisor with respect to their particular circumstances.** See "Certain Canadian Income Tax Considerations".

**Secondary Market for the Notes and Daily Sale Mechanism of FundSERV:**

There is currently no market through which the Notes may be sold. Citibank Canada does not intend to apply for listing of the Notes on any exchange.

The Agent intends, subject to certain conditions, to maintain from the Settlement Date until the Maturity Date, under normal market conditions, a daily secondary market for the Notes, in which the maximum bid-offer spread will be 1.00% of the Bid Price (excluding commissions) when orders and settlements are made through FundSERV and 1.00% of the Principal Amount (excluding commissions) when orders and settlements are not made through FundSERV. A Holder who sells Notes by using the sale procedures of FundSERV will receive sales proceeds equal to the Bid Price for the Notes, minus an Early Trading Charge of 6% of the Principal Amount from the Settlement Date up to and including December 28, 2007, and an Early Trading Charge of 3% of the Principal Amount from December 29, 2007 up to and including March 28, 2008. In addition, Citibank Canada may, from time to time, purchase Notes for cancellation pursuant to private agreements between Citibank Canada and Holders. See "FundSERV", "Plan of Distribution" and "Description of the Notes – Purchase for Cancellation".

**Holders choosing to sell their Notes prior to the Maturity Date may be unable to sell their Notes, and, if a sale is possible, may receive a market price substantially less than the Principal Amount and which does not necessarily reflect any increase in the Indexes, including any Locked-In Performance, up to the date of such sale or to the most recent Locked-In Performance Determination Date. See “Risk Factors – Secondary Market for the Notes / Possible Illiquidity of Secondary Market”.**

**Agent:**

OpenSky Capital Inc.

**Fees:**

Citibank Canada has agreed to pay the Agent an amount equal to 2% of the gross amount of the Notes for the performance by the Agent of its obligations under the Agency Agreement and has agreed to pay the members of the selling group for the sale of the Notes a commission of 4% of the gross amount of the Notes.

## DEFINITIONS

In this Information Statement, unless the context otherwise requires:

“**Agency Agreement**” means the agreement dated as of August 13, 2007 between Citibank Canada and the Agent;

“**Agent**” means OpenSky Capital Inc.;

“**Bid Price**” has the meaning ascribed thereto under “FundSERV — Sale through FundSERV”;

“**Book-Entry System**” means the record entry, transfer and pledge system established and governed by one or more agreements between CDS and CDS Participants pursuant to which the operating rules and procedures for such system are established and administered by CDS, including in relation to CDS;

“**Business Day**” means, unless otherwise specifically provided, any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions in the cities of Toronto, Canada and New York, United States of America, are authorized or obligated by law or executive order to be closed;

“**Calculation Agent**” means Citibank Canada;

“**CDS**” means CDS Clearing and Depository Services Inc. or its nominee;

“**CDS Participant**” means a broker, dealer, bank or other financial institution or other person for whom CDS effects book-entry transfers and pledges of Notes under the Book-Entry System;

“**Citigroup**” means Citigroup Inc.;

“**Closing Level**” means the closing level of the relevant Index at the regular official close of trading on the relevant exchange on each Locked-In Performance Determination Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent;

“**CRA**” means the Canada Revenue Agency;

“**Crude Oil Price Index**” means an index based on the performance, from the Settlement Date, of the generic first future price in US dollars of one barrel of crude oil, as listed on the New York Mercantile Exchange;

“**DBRS**” means Dominion Bond Rating Service, Limited;

“**Early Trading Charge**” means the amount that will be deducted from a Holder’s sale proceeds for sales effected through FundSERV on or prior to March 28, 2008. Such Early Trading Charge will be 6% of the Principal Amount from the Settlement Date up to and including December 28, 2007, and 3% of the Principal Amount from December 29, 2007 up to and including March 28, 2008;

“**FundSERV**” means the facility maintained and operated by FundSERV Inc. for electronic communication with participating companies, including the receiving of orders, order match, contracting, registrations, settlement of orders, transmission of confirmation of purchases, and the redemption of investments or instruments;

“**Guarantor**” means Citibank, N.A.;

“**Holder**” means a registered holder or beneficial owner of a Note;

“**Income Tax Act**” means the *Income Tax Act* (Canada);

“**Indexes**” means, collectively, the Dow Jones Euro Stoxx 50<sup>®</sup> Index, the S&P 500<sup>®</sup> Index, the Nasdaq-100 Index<sup>®</sup>, the Nikkei 225<sup>TM</sup> Index, the Russell 2000<sup>®</sup> Index, the FTSE<sup>®</sup> 100 Index, a Crude Oil Price Index and the Citigroup<sup>®</sup> World Government Bond Index;

“**Locked-In Performance**” means the Index showing the best performance, among the Indexes not previously discarded. The performance of each Index will be the ratio, expressed in percentage, of its Closing Level divided by its Starting Level. The performance of the Citigroup<sup>®</sup> World Government Bond Index will reflect the payment of interest on the securities underlying such Index (total return performance), but the performance of the other Indexes will not reflect any interest, dividends, distributions or other payments on the securities or commodities underlying such Indexes (price performance). Each selected Locked-In Performance will be expressed as the difference between (i) the performance of the relevant Index (capped at 111.25%), and (ii) 1 (100%), as determined by the Calculation Agent on each Locked-In Performance Determination Date;

**“Locked-In Performance Determination Dates”** means October 13, 2008, October 12, 2009, October 12, 2010, October 11, 2011, October 11, 2012, October 11, 2013, October 14, 2014 and October 13, 2015, each of which is subject to postponement if such date, as initially scheduled, is not a Trading Day or if a Market Disruption Event occurs or continues on such date;

**“Market Disruption Event”** has the meaning ascribed thereto under “Description of the Notes — Market Disruption Event”;

**“Mark-to-Market rules”** has the meaning ascribed thereto under “Certain Canadian Income Tax Considerations”;

**“Maturity Date”** means October 13, 2015, subject to postponement if such date, as initially scheduled, is not a Trading Day or if a Market Disruption Event occurs or continues on such date;

**“Maturity Redemption Amount”** means, in respect of each Note held by a Holder as at the Maturity Date, the repayment of the Principal Amount plus a return, if any, together being equal to the greater of:

(a) the Principal Amount; and

(b) the Principal Amount x (1 + Total Locked-In Performance);

**“Moody’s”** means Moody’s Investors Service, Inc.;

**“Notes”** means the Index Optimizer Principal Protected Notes, Series 25;

**“Payment Date”** means the third Business Day following the Maturity Date;

**“Principal Amount”** means \$100 per Note;

**“Regulations”** means the regulations adopted pursuant to the Income Tax Act;

**“Replacing Index”** has the meaning ascribed thereto under “Description of the Deposit Notes – Discontinuance, Modification or Replacement of the Indexes; Alteration of Method of Calculation”;

**“S&P”** means Standard & Poor’s Rating Service, a division of The McGraw-Hill Companies, Inc.;

**“Sale Deadline Date”** has the meaning ascribed thereto under “FundSERV – Sale through FundSERV”;

**“Settlement Date”** means on or about October 11, 2007;

**“Starting Level”** means the closing level of the relevant Index at the regular official close of trading on the relevant exchange on the Settlement Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent;

**“Subscription Price”** means 100% of the Principal Amount;

**“Successor Index”** has the meaning ascribed thereto under “Description of the Deposit Notes – Discontinuance, Modification or Replacement of the Indexes; Alteration of Method of Calculation”;

**“Tax Proposals”** has the meaning ascribed thereto under “Certain Canadian Income Tax Considerations”; and

**“Total Locked-In Performance”** means the amount calculated by adding each of the eight Locked-In Performances as follows:

$\text{IndexR}_1 + \text{IndexR}_2 + \text{IndexR}_3 + \text{IndexR}_4 + \text{IndexR}_5 + \text{IndexR}_6 + \text{IndexR}_7 + \text{IndexR}_8$

with “IndexR<sub>1</sub>”, “IndexR<sub>2</sub>”, “IndexR<sub>3</sub>”, “IndexR<sub>4</sub>”, “IndexR<sub>5</sub>”, “IndexR<sub>6</sub>”, “IndexR<sub>7</sub>” and “IndexR<sub>8</sub>”, representing the Locked-In Performance for the relevant Index on each Locked-In Performance Determination Date up to and including the final Locked-In Performance Determination Date;

**“Trading Day”** means a day on which there exists a published closing level for that day for each remaining Index.

## CITIBANK CANADA

Citibank Canada is a Canadian chartered bank whose head office is located at 10<sup>th</sup> Floor, Citibank Place, 123 Front Street West, Toronto, Ontario M5J 2M3. Citibank Canada is licensed to operate as a bank in Canada with full banking powers and is incorporated under the *Bank Act* (Canada) as a foreign bank subsidiary.

Citibank Canada is a full service chartered bank, offering a wide range of financial services to corporations, public sector entities and individuals through offices in Toronto, Montreal, Calgary and Vancouver. Citibank Canada and its subsidiaries are active in commercial and personal lending, deposit taking, equipment leasing, risk management and hedging transactions, and investing in commercial paper, bank instruments and government obligations.

Citibank Canada is an indirect wholly-owned subsidiary of Citibank, N.A., which is an indirect wholly-owned subsidiary of Citigroup. Citigroup is a Delaware corporation, whose principal office is located in New York, New York. It is a diversified financial holding company whose businesses provide a broad range of financial services to consumer and corporate customers in over 100 countries and territories.

On March 31, 2007, Citigroup had total consolidated assets of US\$2.02 trillion and stockholders' equity of US\$122 billion. As of March 31, 2007, Citibank Canada had total consolidated assets of \$15.6 billion and shareholder's equity of \$893 million.

Copies of the most recent audited consolidated financial statements of Citibank Canada and copies of subsequent unaudited consolidated financial statements may be obtained by writing to Citibank Canada to the attention of the Chief Financial Officer, Suite 1700, Citibank Place, 123 Front Street West, Toronto, Ontario M5J 2M3.

## DESCRIPTION OF THE NOTES

The following is a summary of the material attributes and characteristics of the Notes offered hereby, which does not purport to be complete. Reference is made to the global certificate referred to below which contains the full text of such attributes and characteristics.

### General; Evidence of the Notes

This offering consists of Notes which will be issued by Citibank Canada on the Settlement Date. The Notes will be issued in \$100 denominations and will mature on October 13, 2015, subject to postponement if such date, as initially scheduled, is not a Trading Day or if a Market Disruption Event occurs or continues on such date

A global certificate for the full amount of the issue will be issued in registered form to CDS on the Settlement Date. Subject to a certain exception, certificates evidencing the Notes will not be available to Holders and registration of ownership of the Notes will be made through the Book-Entry System of CDS. See "Description of the Notes - Book-Entry System".

Citibank Canada may from time to time issue additional series of Notes (which may or may not resemble the Notes), or any other debt instruments or deposit notes.

### Maturity Redemption Amount

At the Payment Date, a Holder will receive, in respect of each Note held by such Holder, repayment of the Principal Amount plus a return, if any, together being equal to the Maturity Redemption Amount. The Maturity Redemption Amount is equal to the greater of:

- (a) the Principal Amount; and
- (b) the Principal Amount x (1 + Total Locked-In Performance).

The maximum Maturity Redemption Amount is \$190.00, which is equivalent to a simple rate of return of 11.25% per annum over eight years. This maximum return will be achieved only if each Locked-In Performance is equal to 11.25%.

## **Total Locked-In Performance**

The Total Locked-In Performance will be calculated by adding each of the Locked-In Performances as follows:

$$\text{IndexR}_1 + \text{IndexR}_2 + \text{IndexR}_3 + \text{IndexR}_4 + \text{IndexR}_5 + \text{IndexR}_6 + \text{IndexR}_7 + \text{IndexR}_8$$

with “IndexR<sub>1</sub>”, “IndexR<sub>2</sub>”, “IndexR<sub>3</sub>”, “IndexR<sub>4</sub>”, “IndexR<sub>5</sub>”, “IndexR<sub>6</sub>”, “IndexR<sub>7</sub>” and “IndexR<sub>8</sub>”, representing the Locked-In Performance for the relevant Index on each Locked-In Performance Determination Date up to and including the final Locked-In Performance Determination Date.

The Total Locked-In Performance will be calculated by the Calculation Agent immediately after the determination of the Closing Level on the last Locked-In Performance Determination Date. The Calculation Agent will provide notice to the Agent of each Locked-In Performance immediately after its determination and of the Total Locked-In Performance by the close of business on the Business Day following the Maturity Date. All percentages resulting from any calculation with respect to the Notes will be rounded to the nearest one hundredth of a percentage point, with five one thousandth of a percentage point rounded upwards, and all dollar amounts used in or resulting from such calculation will be rounded to the nearest cent with one-half being rounded upwards.

## **Locked-In Performances**

As of each Locked-In Performance Determination Date, the Calculation Agent will select, among the Indexes not previously discarded, the Index having shown the best performance since the Settlement Date (the “Locked-In Performance”).

The performance of each Index will be the ratio, expressed in percentage, of its Closing Level divided by its Starting Level. The performance of the Citigroup<sup>®</sup> World Government Bond Index will reflect the payment of interest on the securities underlying such Index (total return performance), but the performance of the other Indexes will not reflect any interest, dividends, distributions or other payments on the securities or commodities underlying such Indexes (price performance). Each selected Locked-In Performance will be expressed as the difference between (i) the performance of the relevant Index (capped at 111.25%), and (ii) 1 (100%).

The Starting Level will be the closing level of the relevant Index at the regular official close of trading on the relevant exchange on the Settlement Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent. The Closing Level will be the closing level of the relevant Index at the regular official close of trading on the relevant exchange on each Locked-In Performance Determination Date, in the base currency in which the relevant Index is calculated, as determined by the Calculation Agent.

When the performance of an Index is “locked-in” (i.e., selected to determine a Locked-In Performance), that Index is discarded for purposes of computing future Locked-In Performances.

The determination of the first Locked-In Performance will be made on October 13, 2008 (i.e. the Locked-In Performance Determination Date for the period from the Settlement Date to October 13, 2008). This process will be repeated on each Locked-In Performance Determination Date of the calendar years 2009 through 2015.

By a process of elimination, on the final Locked-In Performance Determination Date in 2015, there will only be one remaining Index from which a Locked-in Performance will be obtained. In this manner, each Index will be selected once and only once and each Index will have its corresponding Locked-In Performance.

The Locked-In Performance Determination Dates will be October 13, 2008, October 12, 2009, October 12, 2010, October 11, 2011, October 11, 2012, October 11, 2013, October 14, 2014 and October 13, 2015, unless such dates, as initially scheduled, are not Trading Days or the Calculation Agent determines that a Market Disruption Event occurred or is continuing on such dates. In that event, the relevant Locked-In Performance Determination Date will be the first succeeding Trading Day on which the Calculation Agent determines that a Market Disruption Event has not occurred or is not continuing. In no event, however, shall any Locked-In Performance Determination Date be postponed more than eleven Business Days. If any Locked-In Performance Determination Date has been postponed ten Business Days and the Business Day immediately succeeding such tenth Business Day is not a Trading Day, or if there is a Market Disruption Event on such succeeding Business Day, the Calculation Agent will determine the Closing Level on such succeeding Business Day in accordance with the formula for and method of calculating the Closing Level last in effect prior to commencement of the Market Disruption Event, using the closing price (or, if trading in the relevant securities has been materially suspended or materially limited, its good faith estimate of the

closing price that would have prevailed but for such suspension or limitation) on such Business Day immediately succeeding such tenth Business Day of each security most recently constituting the Indexes.

The Locked-In Performance may be positive or negative, and there is no downside exposure limit, other than the Notes' full principal protection feature.

### **Market Disruption Event**

Certain events may prevent the Calculation Agent from calculating the Closing Level on the relevant Locked-In Performance Determination Date, and consequently the Locked-In Performance and, on the Maturity Date, the Total Locked-In Performance and the Maturity Redemption Amount. These events include disruptions or suspensions of trading on the markets as a whole.

“Market Disruption Event” means, with respect to an Index (or any Successor Index or Replacing Index):

- (i) a suspension, absence or material limitation of trading of 20% or more of the securities included in such Index (or any Successor Index or Replacing Index), as the case may be, in each case for more than two hours of trading or during the one-half hour period preceding the close of trading on the relevant exchange;
- (ii) if the relevant Index (or any Successor Index or Replacing Index) is linked to the performance of one or many commodities, a suspension, absence or material limitation of trading of one or many commodities included in such Index (or any Successor Index or Replacing Index), as the case may be, in each case for more than two hours of trading or during the one-half hour period preceding the close of trading on the relevant exchange, or the failure of the relevant entity to announce or publish the spot price (or the information necessary for determining the spot price) for one or many commodities included in such Index (or any Successor Index or Replacing Index);
- (iii) the suspension, absence or material limitation of trading on any major exchange for trading in futures or options contracts related to the relevant Index (or any Successor Index or Replacing Index) for more than two hours of trading or during the one-half hour period preceding the close of trading in the applicable market, in each case as determined by the Calculation Agent in its sole discretion;
- (iv) the taking of any action by any governmental, administrative, legislative or judicial authority or power of Canada, the United States of America or any other country, or any political subdivision thereof which has a material adverse effect on the financial markets of Canada or the United States of America, as determined by the Calculation Agent in its sole discretion; or
- (v) any outbreak or escalation or hostilities or other national or international calamity or crisis (including, without limitation, natural calamities) which has or would have a material adverse effect on the Notes or on Citibank Canada's or its agent's ability to place, maintain or modify hedges of positions with respect to the Indexes or a material adverse effect on the economy of Canada or the United States of America or the trading of securities or commodities generally on any applicable exchange or related market, as determined by the Calculation Agent in its sole discretion.

For purposes of determining whether a Market Disruption Event has occurred: (1) a limitation on the hours or number of days of trading or closure as part of regular schedule business hours will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange or market, (2) a decision to permanently discontinue trading in the relevant futures or options contract will not constitute a Market Disruption Event, (3) limitations on trading during significant market fluctuations pursuant to any applicable rule or regulation enacted, promulgated or followed by any relevant exchange or self-regulatory organization or the securities commission relevant to the operation of one or more of the Indexes as determined by the Calculation Agent will constitute a Market Disruption Event, and (4) a suspension of trading in a futures or options contract on the relevant Index or on any Successor Index by a major exchange or market for more than two hours by reason of (a) a price change exceeding limits set by such relevant exchange or market, (b) an imbalance of orders relating to such contracts or (c) a disparity in bid and ask quotes relating to such contracts, will constitute a Market Disruption Event.

### **Examples**

The following tables illustrate the manner in which the Locked-In Performances, the Total Locked-In Performance and the Maturity Redemption Amount will be calculated. In the first example, each Holder would receive an amount

of \$170.00 per Note. In the second example, since the Total Locked-In Performance is negative, each Holder would receive only its Principal Amount of \$100.00 per Note.

PLEASE NOTE THAT THESE TABLES ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY AND SHOULD NOT BE CONSTRUED AS AN ESTIMATE OR FORECAST OF THE LOCKED-IN PERFORMANCES, THE TOTAL LOCKED-IN PERFORMANCE OR THE MATURITY REDEMPTION AMOUNT.

### Example 1

Indexes	Closing Level									
	Starting Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	
Dow Jones Euro Stoxx 50® Index	4,229.19	4,097.03	4,461.37	4,607.28	4,666.91	4,636.26	4,475.75	3,873.94	4,474.48	
S&P 500® Index	1,433.06	1,574.45	1,543.87	1,402.54	1,413.35	1,529.04	1,501.27	1,390.07		
Nikkei 225™ Index	16,979.86	15,794.98	16,318.74	17,930.92	18,665.96	20,160.57	20,782.24			
Russell 2000® Index	755.42	810.72	844.57	819.78	851.13	935.29				
FTSE® 100 Index	6,224.30	6,374.31	6,762.08	6,922.67	7,440.53					
Nasdaq-100 Index®	1,918.56	2,021.59	2,115.79	2,178.52						
Citigroup® World Gov't Bond Index	675.05	731.69	784.75							
Crude Oil Price Index	75.48	83.75								
Ratio of Closing Level over Starting Level minus 1 for the remaining Indexes										
Indexes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8		
Dow Jones Euro Stoxx 50® Index	-3.12%	5.49%	8.94%	10.35%	9.63%	5.83%	-8.40%	5.80%		
S&P 500® Index	9.87%	7.73%	-2.13%	-1.38%	6.70%	4.76%	-3.00%			
Nikkei 225™ Index	-6.98%	-3.89%	5.60%	9.93%	18.73%	22.39%				
Russell 2000® Index	7.32%	11.80%	8.52%	12.67%	23.81%					
FTSE® 100 Index	2.41%	8.64%	11.22%	19.54%						
Nasdaq-100 Index®	5.37%	10.28%	13.55%							
Citigroup® World Gov't Bond Index	8.39%	16.25%								
Crude Oil Price Index	10.95%									
Best Performing Index	10.95%	16.25%	13.55%	19.54%	23.81%	22.39%	-3.00%	5.80%		
Locked-In Performance (PP)	10.95%	+ 11.25%	+ 11.25%	+ 11.25%	+ 11.25%	+ 11.25%	+ 11.25%	+ -3.00%	+ 5.80%	
Total Locked-In Performance	<b>70.00%</b>									
Maturity Redemption Amount	<b>\$170.00</b>	<b>= \$100 x (1 + 0.70)</b>								

### Example 2

Indexes	Closing Level									
	Starting Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	
Dow Jones Euro Stoxx 50® Index	4,229.19	4,097.03	4,461.37	4,379.33	4,455.45	4,636.26	4,475.75	2,501.57	2,188.61	
S&P 500® Index	1,433.06	1,574.45	1,543.87	1,402.25	1,413.35	1,529.04	1,309.10	1,056.88		
Nikkei 225™ Index	16,979.86	15,794.98	16,326.14	17,930.92	18,326.36	20,160.57	20,782.24			
Russell 2000® Index	755.42	810.72	675.35	819.78	775.59	935.29				
FTSE® 100 Index	6,224.30	6,374.31	6,762.08	6,533.03	7,254.42					
Nasdaq-100 Index®	1,918.56	2,021.59	2,000.67	2,166.05						
Citigroup® World Gov't Bond Index	675.05	731.69	753.70							
Crude Oil Price Index	75.48	83.75								
Ratio of Closing Level over Starting Level minus 1 for the remaining Indexes										
Indexes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8		
Dow Jones Euro Stoxx 50® Index	-3.12%	5.49%	3.55%	5.35%	9.63%	5.83%	-40.85%	-48.25%		
S&P 500® Index	9.87%	7.73%	-2.15%	-1.38%	6.70%	-8.65%	-26.25%			
Nikkei 225™ Index	-6.98%	-3.85%	5.60%	7.93%	18.73%	22.39%				
Russell 2000® Index	7.32%	-10.60%	8.52%	2.67%	23.81%					
FTSE® 100 Index	2.41%	8.64%	4.96%	16.55%						
Nasdaq-100 Index®	5.37%	4.28%	12.90%							
Citigroup® World Gov't Bond Index	8.39%	11.65%								
Crude Oil Price Index	10.95%									
Best Performing Index	10.95%	11.65%	12.90%	16.55%	23.81%	22.39%	-26.25%	-48.25%		
Locked-In Performance (PP)	10.95%	+ 11.25%	+ 11.25%	+ 11.25%	+ 11.25%	+ 11.25%	+ -26.25%	+ -48.25%		
Total Locked-In Performance	<b>-7.30%</b>									
Maturity Redemption Amount	<b>\$100.00</b>									

### Discontinuance, Modification or Replacement of the Indexes; Alteration of Method of Calculation

If the calculation or publication of any of the Indexes is discontinued and a successor or substitute index is calculated and published (such successor or substitute index being referred to herein as a "Successor Index"), that the Calculation Agent determines, in its sole discretion, to be comparable to the relevant Index, then any subsequent Closing Level for the relevant Index will be determined by reference to the level of such Successor Index at the close of trading on the relevant exchange or market for the Successor Index on the date as of which such Closing Level is to be computed.

If no successor or substitute Index is provided with respect to a discontinued Index, the Calculation Agent will designate another Index to replace the relevant Index (such Index being also referred to herein as a “Successor Index”), provided that the Calculation Agent reasonably determines that the Successor Index substantially tracks the market performance of the broad class and market in which the relevant Index participated and with adjustments as may be determined by the Calculation Agent. Any subsequent Closing Level for the relevant Index will be determined by reference to the level of the Successor Index at the close of trading on the relevant exchange or market for the Successor Index on the date as of which such Closing Level is to be computed.

The Calculation Agent may also change any of the Indexes (the “Replacing Index”) on which the Notes are linked in consultation with the Agent. Any Replacing Index will have to substantially track the market performance of the broad class and market of the Index it replaces (the “Replaced Index”). Any subsequent Closing Level for the relevant Index will be determined by reference to the level of the Replacing Index at the close of trading on the relevant exchange or market for the Replacing Index on the date as of which such Closing Level is to be computed.

Upon any selection by the Calculation Agent of a Successor Index or Replacing Index, the Calculation Agent will cause written notice thereof to be furnished to the Agent and to the Holders within three Business Days of such selection. If any Successor Index or Replacing Index is selected by the Calculation Agent, such Successor Index or Replacing Index will be used as a substitute for the relevant Discontinued Index or Replaced Index for all purposes, including for purposes of determining whether a Market Disruption Event exists.

Notwithstanding these alternative arrangements, discontinuance of the calculation and publication of any of the Indexes may adversely affect the value of, and trading in, the Notes.

If at any time the method of calculation of any Index, Successor Index or Replacing Index, or the level thereof, is changed in a material respect, or if such Index, Successor Index or Replacing Index is in any other way modified so that such Index does not, in the opinion of the Calculation Agent, fairly represent the level of the Index or such Successor Index or Replacing Index had such changes or modifications not been made, then, for purposes of calculating the Closing Level or Locked-In Performance or the Maturity Redemption Amount or making any other determinations as of or after such time, the Calculation Agent will make such calculations and adjustments as, in the good faith judgment of the Calculation Agent, may be necessary in order to arrive at a value of an Index comparable to the Index or such Successor Index or Replacing Index, as the case may be, as if such changes or modifications had not been made, and calculate the Maturity Redemption Amount (including the components thereof) with reference to the Index or such Successor Index or Replacing Index, as adjusted.

In the event that, on any date as of which a Closing Level is to be determined, any Index is not calculated by the Calculation Agent but is calculated by a third party acceptable to the Calculation Agent, in its sole discretion, the Calculation Agent will use such third party’s calculation as its reference for determining the level of the Index.

### **Return**

The Notes will not bear interest during the term of the Notes or after the Maturity Date, but will rather have a return per Note, if any, equal to the difference between the Maturity Redemption Amount and the Principal Amount. Such return per Note, if any, will not be payable prior to the Payment Date.

The maximum Maturity Redemption Amount is \$190.00, which is equivalent to a simple rate of return of 11.25% per annum over eight years. This maximum return will be achieved only if each Locked-In Performance is equal to 11.25%.

No distributions or other payments will be payable on the Notes prior to the Payment Date.

### **Rank**

The Notes will constitute direct unconditional obligations and deposits of Citibank Canada which are guaranteed by Citibank, N.A. The Notes will be issued on an unsecured and unsubordinated basis and will rank *pari passu*, as among themselves and with all other outstanding, direct, unsecured and unsubordinated, present and future indebtedness (except as otherwise prescribed by law or as to any sinking fund or funds or securities set aside for such indebtedness) of Citibank Canada, and will be payable rateably without any preference or priority. The Notes will not be insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.

## **Credit Rating**

As of the date hereof, the domestic long-term debt obligations of Citibank Canada are rated AA (high) by DBRS and AA by S&P. There can be no assurances that, if the Notes were specifically rated by DBRS or S&P, they would have the same rating as the long-term debt obligations of Citibank Canada. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

## **Payment at Maturity**

Citibank Canada will be required to make available to Holders, no later than 10:00 a.m. (Eastern time) on the Payment Date, funds in an amount sufficient to pay the amounts due under the Notes, being the Maturity Redemption Amount for each Note.

All amounts payable in respect of the Notes will be made available by Citibank Canada on the relevant payment date through CDS or its nominee, or otherwise by cheque or (pursuant to an agreement between a Holder and the relevant CDS Participant) by wire transfer. CDS or its nominee will, upon receipt of any such amount, facilitate payment to the applicable CDS Participants or credit the account of such CDS Participants, in amounts proportionate to their respective interests as shown on the records of CDS. The payments to be made to Holders who subscribed their Notes through FundSERV will be paid through CDS or its nominee to National Bank Trust, as CDS Participant, and will then be distributed by the Agent to Holders in accordance with the register showing records of beneficial interest in the Notes maintained by the Agent.

The responsibility and liability of Citibank Canada or the Guarantor in respect of the Notes represented by the global certificate is limited to making payment of any amount due on the global certificate to CDS or its nominee.

Neither Citibank Canada nor CDS will be bound to see the execution of any trust affecting the ownership of any Note or be affected by notice of any equity that may be subsisting with respect to any Note.

## **No Redemption at the Option of Citibank Canada or the Holder**

The Notes are not subject to redemption at the option of Citibank Canada or any Holder prior to the Maturity Date.

## **Purchase For Cancellation**

Citibank Canada may, from time to time, purchase Notes for cancellation pursuant to private agreements between Citibank Canada and Holders.

## **Book-Entry System**

The Notes will be issued in “book-entry only” form and must be subscribed, transferred and repurchased through a CDS Participant either directly or through FundSERV. On the Settlement Date, Citibank Canada will cause all Notes in the form of a single global certificate to be delivered to and registered in the name of CDS. Registration of interests in and transfers of the Notes will be made only through the depository service of CDS. Subject to the exceptions mentioned hereinafter, no Holder will be entitled to any certificate or other instrument from Citibank Canada or CDS evidencing the ownership thereof, and no Holder will be shown on the records maintained by CDS, except through a CDS Participant. All rights of a Holder must be exercised through, and all payments or other property to which such Holder is entitled will be made or delivered by, CDS or the CDS Participant through which the Holder holds the Notes. Upon subscription of any Notes, the Holder will receive only the customary confirmation that will be sent to such Holder by the dealers from whom or through whom such Notes are subscribed.

Definitive certificates in relation to the Notes will be issued to CDS Participants if (1) Citibank Canada advises the Holders that (i) CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to Notes or (ii) CDS ceases to be a recognized clearing agency under the *Securities Act* (Ontario) or a self-regulatory organization under the *Securities Act* (Québec) or other applicable Canadian securities legislation, and the Holders and Citibank Canada are unable to locate a qualified successor depository system, or (2) if Citibank Canada, at its option, advises the Holders in writing that it elects to terminate the use of the Book-Entry System with respect to the Notes. Upon the surrender by CDS of the global certificate representing the Notes and instructions from CDS for registration, Citibank Canada will issue definitive certificates to CDS Participants appearing on the records maintained by CDS at the time of or as soon as practicable prior to such delivery, which definitive certificates will thereafter evidence Notes previously evidenced by the global certificate.

The Maturity Redemption Amount payable under the global certificate will be paid to the applicable CDS Participants to those Participants' CDS accounts in amounts proportionate to their respective beneficial interests in the aggregate Principal Amount of the Notes as shown on the records of CDS or its nominee. It is expected that payments by CDS Participants to owners of beneficial interests in the global certificate held through such CDS Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such CDS Participants. The responsibility and liability of Citibank Canada or the Guarantor in respect of the Notes represented by the global certificate is limited to making payment of any amount due on the global certificate to CDS or its nominee. The Maturity Redemption Amount payable to Holders who subscribed their Notes through FundSERV will be paid through CDS or its nominee to National Bank Trust, as CDS Participant, and will then be distributed by the Agent to Holders in accordance with the register showing records of beneficial interest in the Notes maintained by the Agent.

Neither Citibank Canada, the Guarantor nor the Agent will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Notes held by CDS or the payments relating thereto, (b) maintaining, supervising or reviewing any records relating to the beneficial ownership of the Notes, or (c) any advice or representations made by, or with respect to, CDS and the rules governing CDS, or any action to be taken by CDS or at the direction of the CDS Participants.

Citibank Canada retains the right, as a condition to payment of amounts at the Payment Date, to require the surrender for cancellation of any certificate evidencing the Notes.

#### **Notices to Holders**

All notices to the Holders regarding the Notes will be validly given if (i) given through CDS to CDS Participants, or (ii) published once in a French language Canadian newspaper and in the national edition of an English language Canadian newspaper. Citibank Canada will give notice as aforesaid to the Holders of any material change or material fact relating to the Notes.

Weekly and monthly reports on the performance of the Indexes, including the Locked-In Performances, and the daily Bid Price will be available on the Agent's website at [www.openskycapital.com](http://www.openskycapital.com).

#### **Amendments to the Notes**

The global certificate may be amended without the consent of the Holders by agreement between Citibank Canada and the Agent if, in the reasonable opinion of Citibank Canada and the Agent, the amendment would not materially and adversely affect the interests of the Holders. In other cases, the global certificate may be amended if the amendment is approved by a resolution passed by the favourable votes of the Holders of not less than 66<sup>2/3</sup>% of the Notes represented at a meeting convened for the purpose of considering the resolution. The quorum for a meeting of Holders is at least two Holders represented in person or by proxy holding at least 10% of the Notes outstanding. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting will be adjourned to another day, not less than 10 days or more than 21 days later, selected by Citibank Canada and notice will be given to the Holders of such adjourned meeting. The Holders present at the adjourned meeting will constitute a quorum. Each Holder is entitled to one vote per Note held by such Holder for the purposes of voting at meetings.

The Notes do not carry the right to vote in any other circumstances.

#### **FUNDSERV**

Subscription for Notes must be made through dealers that facilitate purchase and related settlement through a clearing and settlement service operated by FundSERV Inc.

#### **General Information**

FundSERV is owned and operated by both fund sponsors and distributors and provides distributors of funds and certain other financial products with online order access to such financial products. FundSERV was originally designed and is operated as a mutual fund communications network facilitating members in electronically placing, clearing and settling mutual fund orders. In addition, FundSERV is currently used in respect of other financial products that may be sold by financial planners, such as the Notes. FundSERV enables its participants to clear

certain financial product transactions between participants, to settle the payment obligations arising from such transactions, and to make other payments between themselves.

### **Notes subscribed through FundSERV held in an account in trust for the beneficial Holders**

As stated above, all Notes will initially be issued in the form of a single global certificate to be delivered to and registered in the name of CDS. See “Book-Entry System” above for further details on CDS as a depository and related matters with respect to the global certificate. Holders of Notes will therefore have an indirect beneficial interest in the global certificate. That beneficial interest will be recorded in CDS as being held in an account established by the Agent at National Bank Trust, in trust for the beneficial Holders. The Agent will record in its books the respective beneficial interests in the Notes subscribed by Holders. A Holder should understand that the Agent will make such recordings as instructed through FundSERV by the Holder’s dealer.

### **Subscription through FundSERV**

In order to subscribe Notes through FundSERV, the subscription funds must be delivered to the Agent in immediately available funds at least four Business Days prior to the Settlement Date.

Upon receipt of the subscription funds, the Agent will deposit the funds in an account established by the Agent at National Bank Trust, in trust for the subscribers. The Agent will pay to the investors interest on the subscription funds at a rate equal to (i) the prime rate of National Bank of Canada less 3% if the subscription funds are delivered to the Agent in Canadian dollars, or (ii) the prime rate of National Bank of Canada less 4.5% if the subscription funds are delivered to the Agent in US dollars. The interest will be calculated from the date of receipt of the subscription funds by the Agent until (but excluding) the fifth Business Day immediately preceding the Settlement Date. The Agent will retain the difference between the aggregate amount of interest earned on the subscription funds and the amount of interest that the Agent has agreed to pay to the investor. On the Settlement Date, the subscription funds, together with the interest earned thereon by the investor, will be used by the Agent to subscribe for additional Notes (or portion thereof) for the benefit of the relevant subscribers. Investors will have no right to receive a cash payment representing any interest earned on the subscription funds if the settlement of this offering is completed.

If Notes subscribed through FundSERV are not issued for any reason, the subscription funds will be returned forthwith to the investor together with the interest earned on such funds as described in the preceding paragraph.

### **Sale through FundSERV**

Holders may sell Notes, subject to the secondary market terms and conditions established by the Agent, by using the sale procedures of FundSERV. Holders, through their dealers, will need to initiate an irrevocable request to sell the Notes in accordance with the then established procedures of FundSERV. Generally, this means that the Holder’s dealer will need to initiate the sale request by 4:00 p.m. (Eastern time) each day (or the following Business Day if such day is not a Business Day), or such other day or time as may hereafter be established by Citibank Canada and the Agent (the “Sale Deadline Date”). Any request received after such time will be deemed to be a request sent and received on the following day. The sale of the Notes will be effected at the Agent’s bid price for the Notes (*i.e.*, the price it is offering to purchase Notes in the secondary market) for the applicable day which is established after the close of market on the Sale Deadline Date (the “Bid Price”). The Bid Price, as posted to FundSERV by the Agent, is also referred to by Fund SERV as the “net asset value” of a Note. A Holder who sells Notes by using the sale procedures of FundSERV will receive sales proceeds equal to the Bid Price for the Notes, minus an Early Trading Charge of 6% of the Principal Amount from the Settlement Date up to and including December 28, 2007, and an Early Trading Charge of 3% of the Principal Amount from December 29, 2007 up to and including March 28, 2008.

The Agent is the fund sponsor for the Notes within FundSERV. The Agent intends to post to FundSERV, under normal market conditions, the Bid Price for the Notes on a daily basis, which Bid Price may also be used for valuation purposes in any statement sent to Holders. There is no guarantee that the Bid Price for any day will be the highest bid price possible in any secondary market for the Notes, but will represent the Agent’s bid price generally available to all Holders. Such bid price will take into account, in particular, the amount of Notes offered for sale in the secondary market. Holders should also be aware that from time to time the mechanism described above to sell Notes may be suspended for any reason without notice, thus effectively preventing Holders from selling their Notes. Potential investors requiring liquidity should carefully consider this possibility.

Notes held in an investment account maintained with a particular dealer will be transferable to another account maintained with another dealer only if such other dealer has been previously approved by the Agent. In the event the dealer has not been previously approved by the Agent, the Holder would have to sell the Notes pursuant to the procedures outlined above.

### **GUARANTEE**

The Guarantor, a national banking association incorporated under the laws of the United States of America, will unconditionally and irrevocably guarantee to the Holders the payment in full of all amounts when due under the Notes, if such amounts have not been received by the Holders at the time such payment is due. The Guarantee will constitute a direct, general, unconditional and unsecured obligation of the Guarantor, will be a continuing guarantee, will be irrevocable and shall not be discharged except by the payment in full of all amounts due under the Notes. The Guarantee will rank equally and rateably with all unsecured and unsubordinated indebtedness of the Guarantor.

As at the date hereof, the long-term debt obligations of the Guarantor are rated AA by S&P and Aaa by Moody's. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

### **INDEXES**

The following table lists each Index and its Bloomberg code. A more detailed description of each Index is provided in Annex A to this Information Statement.

<b>Index</b>	<b>Bloomberg Code</b>
Dow Jones Euro Stoxx 50 <sup>®</sup> Index	SX5E <Index>
S&P 500 <sup>®</sup> Index	SPX <Index>
Nasdaq-100 Index <sup>®</sup>	NDX <Index>
Nikkei 225 <sup>TM</sup> Index	NKY <Index>
Russell 2000 <sup>®</sup> Index	RUY <Index>
FTSE <sup>®</sup> 100 Index	UKX <Index>
Crude Oil Price Index	CL1 <Cmnty>
Citigroup <sup>®</sup> World Government Bond Index	SBWGU <Index>

### **CALCULATION AGENT**

Citibank Canada will be the Calculation Agent with regard to the Notes. The Calculation Agent will be solely responsible for the determination and calculation of the Locked-In Performances, the Total Locked-In Performance and the Maturity Redemption Amount (including the components thereof), as well as for making certain other determinations with regard to the Notes and the Indexes. All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding upon the Holders. Since Citibank Canada and the Calculation Agent are the same person, the Calculation Agent may have economic interest adverse to those of the Holders, including with respect to certain determinations that the Calculation Agent must make in determining the Maturity Redemption Amount, the Locked-In Performance, in determining whether a Market Disruption Event has occurred, and in making certain other determinations with regard to the Indexes. The Calculation Agent is obligated to carry out its duties and functions in good faith and using its reasonable judgment.

### **USE OF PROCEEDS**

The net proceeds of this offering (after payment of the expenses related to this offering, the amount payable to the Agent and the commission payable to the members of the selling group) will be used by Citibank Canada for general banking purposes.

### **RISK FACTORS**

Investment in the Notes is subject to certain risk factors. Investors should carefully consider the risks associated with acquiring and holding Notes, including the following factors:

### **Suitability for Investment**

An investor should reach a decision to invest in the Notes after careful consideration with his or her advisors, as to the suitability of the Notes in light of investment objectives and the information set out in this Information Statement. For instance, an investment in a Note is not suitable for a person seeking a guaranteed interest yield. None of Citibank Canada, the Guarantor or the Agent makes any recommendation as to the suitability of the Notes for investment by any person.

### **Comparison to Other Obligations**

The terms of the Notes differ from those of ordinary obligations or debt instruments, in that a return, if any, is payable on the Notes only at the Payment Date and only to the extent that the Maturity Redemption Amount exceeds the Principal Amount as at the Maturity Date. The Maturity Redemption Amount will exceed the Principal Amount only if the Total Locked-In Performance is positive. Such an appreciation is contingent on events that are inherently difficult to predict and which are beyond Citibank Canada's control. Accordingly, there can be no assurance that any such appreciation will occur, or that more than the Principal Amount will ever be payable with respect to the Notes. Moreover, the value of an investment in the Notes may diminish over time owing to inflation and other factors that adversely affect the present value of future payments. Accordingly, an investment in the Notes may result in a lower return when compared to alternative investments.

### **No Guaranteed Return on Notes**

While a Holder is entitled to payment on the Payment Date which cannot be less than the Principal Amount of the Note, the Notes do not bear interest and there can be no assurance that the Notes will show any return. Historical returns on the Indexes should not be considered as an indication of the future performance of the Notes. No assurance can be given, and none is intended to be given, that any of the Indexes will appreciate in the period during which the Notes are outstanding and that any return will be achieved on the Notes at the Maturity Date.

### **No Pledging**

The ability of a Holder to pledge the Notes or otherwise take action with respect to such Holder's interest in such Notes (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

### **Secondary Market for the Notes / Possible Illiquidity of Secondary Market**

The Notes will not be listed on any stock exchange. There is no assurance that a secondary market will develop.

Despite the fact that the Agent intends, subject to certain conditions, to maintain from the Settlement Date until the Maturity Date, under normal market conditions, a daily secondary market for the Notes, it is not possible to predict how the Notes will trade in the secondary market or whether such market will be liquid or illiquid. Holders choosing to sell their Notes prior to the Maturity Date may be unable to sell their Notes, and, if a sale is possible, may receive a market price substantially less than the Principal Amount and which does not necessarily reflect any increase in the Indexes, including any Locked-In Performance, up to the date of such sale or to the most recent Locked-In Performance Determination Date. The price at which a Holder will be able to sell the Notes prior to the Maturity Date may be at a discount, which could be substantial, from the Principal Amount, based upon one or more factors, such as, but not limited to, the fact that the Principal Amount of \$100 per Note is payable at the Payment Date as well as a number of interrelated factors, such as the performance, the volatility and the correlation of the Indexes, the Early Trading Charge, if applicable, the interest rates and the time remaining to the Maturity Date. The factors that will affect the trading value of the Notes interrelate in complex ways, as, for example, one factor may offset a potential increase in the trading value of the Notes caused by another factor. As an illustration, an increase in interest rates may offset some or all of any increase in the trading value of the Notes attributable to the performance of the Indexes.

### **Return not Reflective of an Investment in a Portfolio Composed of all Indexes until Maturity**

The Total Locked-In Performance, calculated only at the Maturity Date, will be the result of the sum of each of the eight Locked-In Performances determined on each Locked-In Performance Determination Date. On each such Locked-In Performance Determination Date, an Index will be withdrawn and will therefore no longer be taken into account to determine future Locked-In Performances. As a result, the Locked-In Performances determined on the

subsequent Locked-In Performance Determination Dates shall be determined from a lesser number of eligible Indexes. The investor is therefore not exposed to the same risk as if it held all the underlying securities until the Maturity Date.

### **Return not Reflective of Full Appreciation**

The Maturity Redemption Amount might not reflect the full appreciation of the Indexes as any Locked-In Performance is capped at 11.25%.

### **Risks Relating to the Indexes**

Historical levels of the Indexes should not be taken as an indication of their future appreciation. While the trading prices of the securities comprising the Indexes will determine their level, it is impossible to predict whether the level of the securities will increase or decrease. Trading prices of the securities making up the Indexes will be influenced by both the complex and interrelated political, economic, financial and other factors that can affect the capital markets generally and the equity trading markets on which the underlying securities are traded, and by various circumstances that can influence the value of a particular security. The composition of the Indexes may also change from time to time.

### **Return Does Not Reflect Interest, Dividends and Distributions**

The performance of the Citigroup® World Government Bond Index will reflect the payment of interest on the securities underlying such Index (total return performance), but the performance of the other Indexes will not reflect any interest, dividends, distributions or other payments on the securities or commodities underlying such Indexes (price performance). Therefore, the yield to maturity based on the methodology for calculating the Maturity Redemption Amount will not be the same as the yield which may be produced if such securities or commodities were purchased directly and held for the same period.

### **Hedging Transactions**

On or prior to the Settlement Date, Citibank Canada or an affiliate thereof, may hedge some or all of its anticipated exposure in connection with the Notes by the purchase and sale of exchange traded and over the counter options on the Indexes, individual securities included in the Indexes, or futures contracts on the Indexes and options on such futures contracts or by taking positions in any other instruments that it may wish to use in connection with such hedging. Citibank Canada is likely to modify its hedge position throughout the life of the Notes, including on each date as of which a Closing Level is to be determined, by purchasing and selling the securities and instruments listed above and other available securities and instruments. Citibank Canada and its affiliates may also from time to time buy or sell the shares underlying the Indexes or derivative instruments related to the Indexes in connection with their normal business practices. Although Citibank Canada does not believe that such activities will have a material impact on the price of such options, shares, futures contracts, and options on futures contracts or on the levels of the Indexes, there can be no assurance that Citibank Canada or an affiliate thereof will not affect such prices as a result of such activities.

### **Conflict of Interest**

Since Citibank Canada and the Calculation Agent are the same person, the Calculation Agent may have economic interest adverse to those of the Holders, including with respect to certain determinations that the Calculation Agent must make in determining the Maturity Redemption Amount, the Locked-In Performance, in determining whether a Market Disruption Event has occurred, and in making certain other determination with regard to the Indexes.

### **Credit Risk**

Because the ultimate obligation to make payments to Holders of the Notes is incumbent upon the Guarantor, the likelihood that such Holders will receive the payments owing to them in connection with the Notes, including the Principal Amount, will be dependent upon the financial health and creditworthiness of the Guarantor.

## **Notes Do Not Constitute Insured Deposits**

The Notes will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.

## **Changes in Legislation**

There can be no assurance that income tax, securities and other laws will not be amended or changed in a manner which adversely affects the Holders.

## **CERTAIN CANADIAN INCOME TAX CONSIDERATIONS**

In the opinion of Fasken Martineau DuMoulin LLP, counsel to Citibank Canada and the Agent, the following is a summary of the principal Canadian federal income tax considerations generally applicable to a person who acquires Notes at the time of their issuance, pursuant to this offering and who, for purposes of the Income Tax Act and at all relevant times, is or is deemed to be a resident of Canada, holds such Notes as capital property and deals at arm's length with Citibank Canada. Notes will generally constitute capital property to a Holder thereof unless the Holder holds such Notes in the course of carrying on a business or has acquired such Notes in a transaction or transactions considered to be an adventure in the nature of trade. Certain Holders whose Notes might not otherwise qualify as capital property, may, in certain circumstances, treat such Notes and all of the Holder's other Canadian securities as capital property by making an irrevocable election provided by subsection 39(4) of the Income Tax Act.

This summary is based upon the current provisions of the Income Tax Act, the regulations thereunder (the "Regulations") and counsel's understanding of the current published administrative practices and policies of the CRA, all in effect as of the date hereof. This summary also takes into account all specific proposals to amend the Income Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof ("Tax Proposals") and assumes all Tax Proposals will be enacted substantially as proposed. However, no assurance can be given that the Tax Proposals will be enacted as proposed, or at all.

The Income Tax Act contains provisions relating to securities held by certain financial institutions (the "Mark-to-Market rules"). This summary does not take into account the Mark-to-Market rules. Holders of Notes that are "financial institutions" for purposes of the Mark-to-Market rules should consult their own tax advisors.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law (including retroactive changes), whether by legislative, governmental or judicial decision or action, or any changes in the administrative practices or assessing policies of the CRA. This summary does not take into account tax legislation of any province, territory or foreign jurisdiction. Provisions of provincial income tax legislation vary from province to province in Canada and may differ from federal income tax legislation.

This summary is of a general nature only and is not intended to be, nor should it be relied upon or construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors for advice with respect to the income tax consequences to them of acquiring, holding and disposing of Notes having regard to their particular circumstances.

## **Interest Allocated on Subscription Funds**

A Holder who is an individual (other than certain trusts) will be required to include in his or her income for the taxation year in which the Notes are issued, the amount of interest allocated to the Holder for the period beginning with the deposit of the subscription funds and ending with the Settlement Date. A Holder that is a corporation, among other entities, will be required to include, in computing income for a taxation year, the interest for the period beginning with the deposit of the subscription funds and ending with the Settlement Date that (i) accrues to it to the end of the taxation year, (ii) becomes receivable by it, or (iii) is received by it before the end of such taxation year, to the extent that the amount was not included in computing its income for a preceding taxation year.

## **Holding and Disposing of Notes**

The excess of the Maturity Redemption Amount over the Principal Amount of a Note can be ascertained, and the right to it arises, only at the Maturity Date. Consequently, the amount of such excess, if any, will only be included in the Holder's income, as interest, in the taxation year in which the Maturity Date occurs.

On a disposition of a Note resulting from the repayment by Citibank Canada at the Payment Date, a Holder should realize a capital gain (or a capital loss) to the extent that a payment received at such time, less reasonable costs of disposition and the amount, if any, required to be included in the Holder's income in the year of such a disposition as interest, exceeds (or is less than) the Holder's adjusted cost base of the Note.

It is unclear whether amounts received or deemed to be received by a Holder on a disposition or deemed disposition of a Note, other than a disposition resulting from a repayment by Citibank Canada, will be considered as giving rise to a capital gain or a capital loss, or to income or an ordinary loss. CRA has not expressed any opinion on this issue. Generally, an amount received or deemed to be received by a Holder on such disposition or deemed disposition of a Note will give rise to a capital gain (or a capital loss) to the Holder to the extent such amount, net of any reasonable costs of disposition, exceeds (or is less than) the Holder's adjusted cost base of the Note. It should be noted, however, that the tax consequences described in this paragraph will differ if the Holder disposes of a Note to Citibank pursuant to a private agreement. In this latter case, please see comments above concerning the redemption of a Note at the Maturity Date. Holders who dispose of a Note prior to the Maturity Date, particularly those who dispose of a Note within a short period of time prior to the Maturity Date or pursuant to a private agreement between Citibank Canada and a Holder, should consult their own tax advisor with respect to their particular circumstances.

Generally, one-half of any capital gain constitutes a taxable capital gain which must be included in the Holder's income in the year of disposition and one-half of any capital loss constitutes an allowable capital loss, which is deductible against taxable capital gains, subject to and in accordance with the provisions of the Income Tax Act. A Holder that is a Canadian-controlled private corporation may be subject to a refundable tax of  $6\frac{2}{3}\%$  on investment income, including taxable capital gains.

Capital gains realized by an individual or trust, other than certain trusts, may give rise to alternative minimum tax under the Income Tax Act.

#### **PLAN OF DISTRIBUTION**

Under an agreement dated as of August 13, 2007 (the "Agency Agreement") between Citibank Canada and the Agent, the Agent has agreed to promote, on a best efforts basis, the sale of the Notes in Canada and to form a selling group for the purposes of offering the Notes if, as and when issued by Citibank Canada in accordance with the terms and conditions contained in the Agency Agreement. Citibank Canada will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes in whole or in part. Citibank Canada reserves the right to discontinue accepting subscriptions at any time without notice.

The closing of this offering is scheduled to occur on or about October 11, 2007.

**Subscription for Notes must be made through the mutual fund order entry system FundSERV under the mutual fund order code OPS 043.** Subscription funds received through FundSERV will be deposited in an account established by the Agent at National Bank Trust, in trust for the beneficial Holders. The interest earned on the subscription funds will be used by the Agent to subscribe, for the benefit of the relevant beneficial Holders, for that number of additional Notes (or portion thereof) corresponding to the amount of earned interest. See "FundSERV – Subscription through FundSERV". Citibank Canada has agreed to pay the Agent an amount equal to 2% of the gross amount of the Notes for the performance by the Agent of its obligations under the Agency Agreement and has agreed to pay the members of the selling group for the sale of the Notes a commission of 4% of the gross amount of the Notes.

The continuing obligations of the Agent under the Agency Agreement may be terminated and the Agent may withdraw all subscriptions for Notes on behalf of the subscribers at his discretion (i) on the basis of his assessment of the state of the financial markets; or (ii) upon the occurrence of certain other stated events.

There is currently no market through which the Notes may be sold. Citibank Canada does not intend to apply for listing of the Notes on any exchange.

The Agent intends, subject to certain conditions, to maintain from the Settlement Date until the Maturity Date, under normal market conditions, a daily secondary market for the Notes, in which the maximum bid-offer spread will be 1.00% of the Bid Price (excluding commissions) when orders and settlements are made through FundSERV and 1.00% of the Principal Amount (excluding commissions) when orders and settlements are not made through FundSERV. A Holder who sells Notes by using the sale procedures of FundSERV will receive sales proceeds equal to the Bid Price for the notes, minus an Early Trading Charge of 6% of the Principal Amount from the Settlement

Date up to and including December 28, 2007, and an Early Trading Charge of 3% of the Principal Amount from December 29, 2007 up to and including March 28, 2008. In addition, Citibank Canada may, from time to time, purchase Notes for cancellation pursuant to private agreements between Citibank Canada and Holders. Sale orders and settlements may also be made through FundSERV. See “FundSERV”.

**Holders choosing to sell their Notes prior to the Maturity Date may be unable to sell their Notes, and, if a sale is possible, may receive a market price substantially less than the Principal Amount and which does not necessarily reflect any increase in the Indexes, including any Locked-In Performance, up to the date of such sale or to the most recent Locked-In Performance Determination Date. See “Risk Factors – Secondary Market for the Notes / Possible Illiquidity of Secondary Market”.**

Citibank Canada reserves the right to issue additional notes and other debt instruments or deposit notes which may have terms substantially similar to the terms of the Notes offered hereby, which may be offered by Citibank Canada concurrently with the offering of Notes.

A global certificate for the full amount of the offering will be issued in registered form to CDS and will be deposited with CDS on the Settlement Date. Subject to certain exceptions, certificates evidencing the Notes will not be available to Holders and registration of interests in and transfer of Notes will be made through the Book-Entry System of CDS. See “Description of the Notes - Book-Entry System”.

In connection with the issue and sale of the Notes, no person is authorized to give any information or to make any representation not expressly contained in this Information Statement and Citibank Canada does not accept responsibility for any information not contained herein.

This Information Statement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Notes or the distribution of this Information Statement in the United States or to US Persons (as defined in the regulations under the US Commodity Exchange Act) or in any jurisdiction outside Canada where any action is required.

#### **RIGHT OF RESCISSION**

A subscriber of Notes may rescind any order to buy such Notes from Citibank Canada (or its purchase if issued) by notice in writing to Citibank Canada within 48 hours following the earlier of actual receipt or deemed receipt of the Information Statement or any amendment thereof or addendum thereto, or, if for any reason, the Information Statement or any amendment thereof or addendum thereto is not sent or mailed to such subscriber, within ten days following the Settlement Date. Such notice should be directed to Citibank Canada, 10<sup>th</sup> Floor, Citibank Place, 123 Front Street West, Toronto, Ontario M5J 2M3, attention: Group Head, Derivatives Capital Markets - Canada. Upon rescission, the subscriber shall be entitled to a refund of the subscription price and any fees relating to the purchase that have been paid by the person. This rescission right is not available to a person buying Notes in the secondary market. A subscriber of Notes will be deemed to have received the Information Statement or any amendment thereof or addendum thereto: (i) on the day recorded as the time of sending by the server or other electronic means, if provided by electronic means; (ii) on the day recorded as the time of sending by fax machine, if provided by fax; (iii) four days after the postmark date, if provided by mail; and (iv) when they are received, in any other case.

## ANNEX A

*The following information is derived from publicly available sources and is presented in summary form. As such, neither Citibank Canada nor the Agent nor any of their respective affiliates assumes any responsibility for the accuracy or completeness of such information. In addition, neither Citibank Canada nor the Agent nor any of their respective affiliates accepts any responsibility for the calculation or composition or other maintenance of, or any adjustment to, or for the level of the Indexes.*

### **Dow Jones Euro Stoxx 50<sup>®</sup> Index**

#### *Objective*

The objective of the Index is to provide a blue-chip representation of market sector leaders in Europe. The Index covers Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

#### *Unique Aspects*

The inception date of the Index is December 31, 1991 and the Index has a base value of 1000 as of such date. The Index captures approximately 50% of the free-float market capitalization of the Dow Jones Euro Stoxx Total Market Index, which in turn covers approximately 95% of the free-float market capitalization of the represented countries. The major industry groups covered in the Index as of March 30, 2007 are Banks (32.6%), Oil & Gas (13.0%), Healthcare (11.4%) Telecommunications (8.7%), Insurance (7.7%) and Food & Beverage (5.9%).

#### *Index Universe*

The Index universe is defined as all components of the 18 Dow Jones Euro Stoxx 600 Supersector indexes. The Dow Jones Euro Stoxx 600 Supersector indexes contain the 600 largest stocks traded on the major exchanges of 18 European countries.

#### *Selection List*

For each of the 18 Dow Jones Euro Stoxx 600 Supersector indexes, the component stocks are ranked by free-float market capitalization. The largest stocks are added to the selection list until the coverage is close to, but still less than, 60% of the free-float market capitalization of the corresponding Dow Jones Euro Stoxx TMI Supersector index. If the next-ranked stock brings the coverage closer to 60% in absolute terms, then it is also added to the selection list.

Any remaining stocks that are current Dow Jones Euro Stoxx 50 components are added to the selection list.

The stocks on the selection list are ranked by free-float market capitalization. In exceptional cases, the Stoxx Limited Supervisory Board may make additions and deletions to the selection list.

#### *Stock Selection*

The 40 largest stocks on the selection list are chosen as components.

Any remaining current components of the Dow Jones Euro Stoxx 50 ranked between 41 and 60 are added as Index components.

If the component number is still below 50, then the largest stocks on the selection list are added until the Index contains 50 stocks.

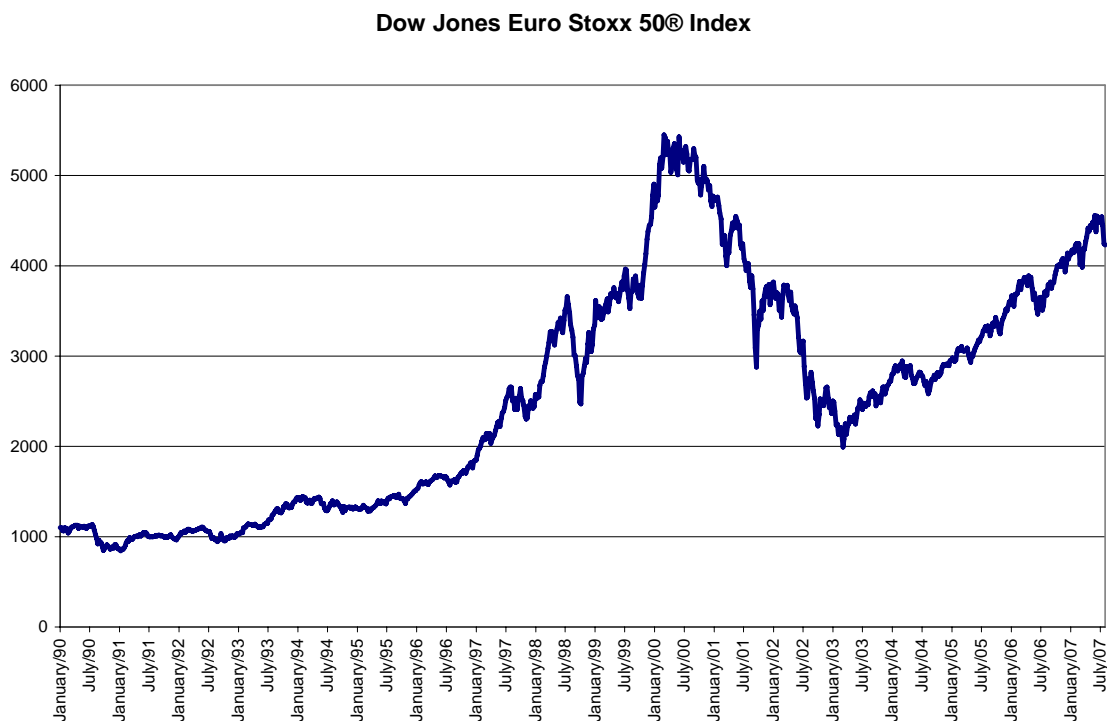
#### *Review Frequency*

The Index composition is reviewed annually in September.

### Weighting

The Index is weighted by free-float market capitalization. Each component's weight is capped at 10% of the Index's total free-float market capitalization. The free-float weights are reviewed quarterly.

The following chart shows the price performance of the Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:



### Disclaimer

“Dow Jones” and “Dow Jones Euro Stoxx 50®” are service marks of Dow Jones & Company, Inc. and/or STOXX Limited and have been licensed for use for certain purposes by Citibank Canada. Citibank Canada’s Notes based on the Dow Jones Euro Stoxx 50® Index are not sponsored, endorsed, sold or promoted by Dow Jones or STOXX, and Dow Jones nor STOXX makes any representation regarding the advisability of investing in the Notes.

The Notes are not sponsored, endorsed, sold or promoted by Dow Jones nor STOXX. Dow Jones nor STOXX makes any representation or warranty, express or implied, to the Holders or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly. STOXX and Dow Jones’ only relationship to Citibank Canada is the licensing of certain trademarks, trade names and service marks and of the Dow Jones Euro Stoxx 50® Index, which is determined, composed and calculated by STOXX without regard to Citibank Canada or the Notes. Neither STOXX nor Dow Jones has any obligation to take the needs of Citibank Canada or the Holders into consideration in determining, composing or calculating the Dow Jones Euro Stoxx 50® Index. Neither Dow Jones nor STOXX is responsible for or has participated in the determination of the timing of, prices of, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted into cash. Neither STOXX nor Dow Jones has any obligation or liability in connection with the administration, marketing or trading of the Notes.

**DOW JONES AND STOXX DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES EURO STOXX 50® INDEX OR ANY DATA INCLUDED THEREIN AND DOW JONES AND STOXX SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. DOW JONES AND STOXX MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CITIBANK CANADA, HOLDERS OR**

**ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES EURO STOXX 50<sup>®</sup> INDEX OR ANY DATA INCLUDED THEREIN. DOW JONES AND STOXX MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES EURO STOXX 50<sup>®</sup> INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES OR STOXX HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN DOW JONES, STOXX AND CITIBANK CANADA.**

### **S&P 500<sup>®</sup> Index**

Standard & Poor's publishes the S&P 500<sup>®</sup> Index. The S&P 500<sup>®</sup> Index is a capitalization-weighted index and is intended to provide an indication of the pattern of common stock price movement. The calculation of the value of the S&P 500<sup>®</sup> Index, discussed below in further details, is based on the relative value of the aggregate market value of the common stocks of 500 companies as of a particular time compared to the aggregate average market value of the common stocks of 500 similar companies during the base period of the years 1941 through 1943. Standard & Poor's chooses companies for inclusion in the S&P 500<sup>®</sup> Index with the aim of achieving a distribution by broad industry groupings that approximates the distribution of these groupings in the common stock population of the New York Stock Exchange, which Standard & Poor's uses as an assumed model for the composition of the total market. Relevant criteria employed by Standard & Poor's include the viability of the particular company, the extent to which that company represents the industry group to which it is assigned, the extent to which the market price of that company's common stock is generally responsive to changes in the affairs of the respective industry and the market value and trading activity of the common stock of that company. Seven main groups of companies comprise the S&P 500<sup>®</sup> Index with the number of companies included in each group expressed as a percentage of the S&P 500<sup>®</sup> Index, as of March 31, 2007, indicated in parentheses: Financials (21.6%), Information Technology (14.9%), Health Care (11.9%), Industrials (10.9%), Consumer Discretionary (10.5%), Energy (10.1%) and Consumer Staples (9.6%). Changes in the S&P 500<sup>®</sup> Index are reported daily on Standard & Poor's website (<http://www.spglobal.com>) and in the financial pages of many major newspapers and on the Bloomberg Financial Service under the symbol "SPX". The S&P 500<sup>®</sup> Index does not reflect the payment of dividends on the stocks included in the S&P 500<sup>®</sup> Index.

In practice, the daily calculation of the S&P 500<sup>®</sup> Index is computed by dividing the total market value of the 500 companies in the Index by a number called the Index divisor. The divisor is an arbitrary number. However, it is the only link to the original base period value of the S&P 500<sup>®</sup> Index. The divisor keeps the S&P 500<sup>®</sup> Index comparable over time and is the manipulation point for all S&P 500<sup>®</sup> Index maintenance adjustments.

Maintaining the S&P 500<sup>®</sup> Index includes monitoring and completing the adjustments for company additions and deletions, share changes, stock splits, stock dividends, and stock price adjustments due to restructurings or spinoffs. Some corporate actions, such as stock splits and stock dividends, require simple changes in the common shares outstanding and the stock prices of the companies in the S&P 500<sup>®</sup> Index. Other corporate actions, such as share issuances, change the market value of the S&P 500<sup>®</sup> Index and require an index divisor adjustment to prevent the value of the S&P 500<sup>®</sup> Index from changing due to the corporate action.

Adjusting the index divisor for a change in market value leaves the value of the S&P 500<sup>®</sup> Index unaffected by the corporate action. This helps keep the value of the S&P 500<sup>®</sup> Index accurate as a barometer of stock market performance and ensures that the movement of the S&P 500<sup>®</sup> Index does not reflect the corporate actions of the companies in the S&P 500<sup>®</sup> Index. All divisor adjustments are made after the close of trading and after the calculation of the closing value of the S&P 500<sup>®</sup> Index. Any change in the S&P 500<sup>®</sup> Index divisor also affects the corresponding Standard & Poor's major industry sector, economic sector, and individual industry group divisors.

#### *Criteria for Additions*

**Market Value** – The S&P 500<sup>®</sup> Index is a market-value weighted index. The companies chosen for the S&P 500<sup>®</sup> Index generally have the largest market value within their industry.

**Industry Group Classification** – Companies selected for the S&P 500<sup>®</sup> Index represent important industry segments within the US economy.

Capitalization – Ownership of a company’s outstanding common shares is carefully analyzed in order to screen out closely held companies.

Trading Activity – The trading volume of a company’s stock is analyzed on a daily, monthly, and annual basis to ensure ample liquidity and efficient share pricing.

Fundamental Analysis – Both the financial and operating condition of a company are rigorously analyzed. The goal is to add companies to the S&P 500® Index that are relatively stable and will keep turnover in the S&P 500® Index low.

Emerging Industries – Companies in emerging industries and/or new industry groups—industry groups currently not represented in the S&P 500® Index are candidates for the S&P 500® Index as long as they meet the guidelines listed above.

#### *Criteria for Removal*

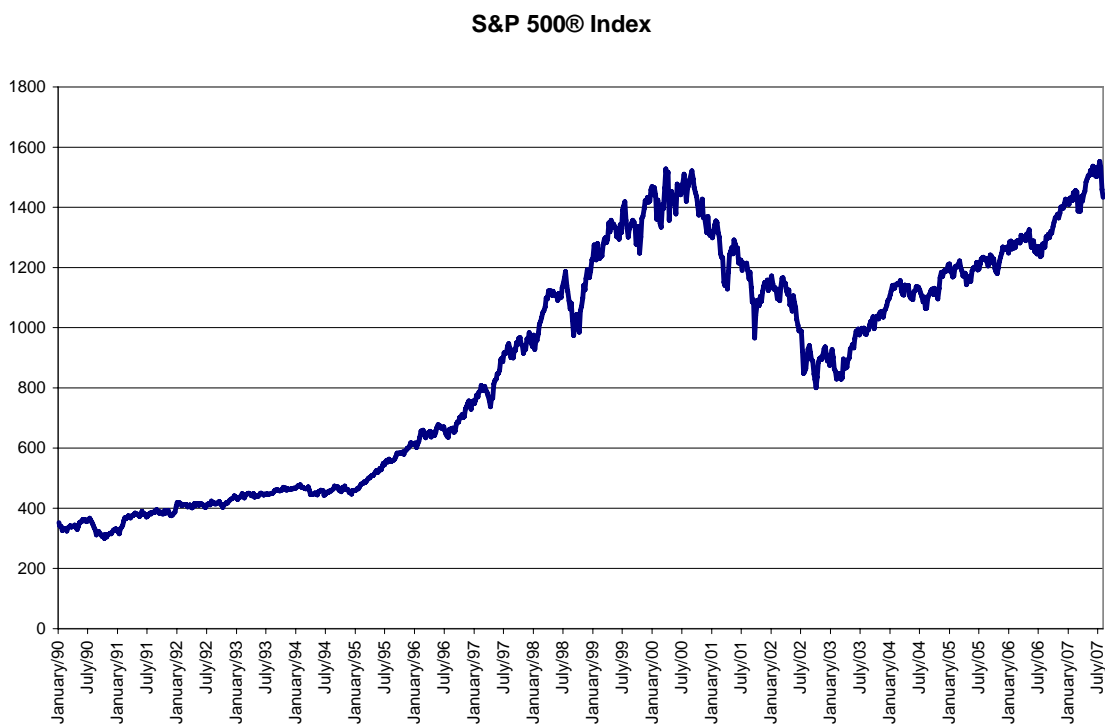
Merger, Acquisition, Leveraged Buyout – A company is removed from the S&P 500® Index as close as possible to the actual transaction date.

Bankruptcy – A company is removed from the S&P 500® Index immediately after Chapter 11 filing or as soon as an alternative recapitalisation plan that changes the company’s debt/equity mix is approved by shareholders.

Restructuring – Each company’s restructuring plan is analyzed in depth. The restructured company as well as any spinoffs are reviewed for index inclusion or exclusion in the S&P 500® Index.

Lack of Representation – A company can be removed from the S&P 500® Index because it no longer meets current criteria for inclusion and/or is no longer representative of its industry group.

The following chart shows the price performance of the Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:



### *Disclaimer*

“SPDR<sup>®</sup>”, “Standard & Poor’s<sup>®</sup>”, “S&P<sup>®</sup>”, “S&P 500<sup>®</sup>”, “Standard & Poor’s 500” and “500” are trademarks (the “S&P Marks”) of The McGraw-Hill Companies, Inc. used in connection with the Index. The S&P Marks have been licensed for use by Citibank, N.A., its affiliates and subsidiaries. The Notes are not sponsored, endorsed, sold or promoted by Standard & Poor’s. Standard & Poor’s makes no representation, warranty or condition, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly or the ability of the Index to track general stock market performance or any other economic factors. Standard & Poor’s only relationship to Citibank, N.A., its affiliates and subsidiaries, is the licensing (or sublicensing) of certain trademarks and trade names of Standard & Poor’s and/or of the Index which is determined, composed and calculated by Standard & Poor’s without regard to Citibank Canada or the Notes. Standard & Poor’s has no obligation to take the needs of Citibank Canada or the owners of the Notes into consideration in determining, composing or calculating the Index. Standard & Poor’s is not responsible for and have not participated in the determination of the timing of, prices of, or quantities of the Notes or in the determination or calculation of the equation by which the Notes are to be converted into cash. Standard & Poor’s has no obligation or liability in connection with the administration, marketing or trading of the Notes.

**STANDARD & POOR'S DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN AND STANDARD & POOR'S SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. STANDARD & POOR'S MAKES NO WARRANTY, CONDITION OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CITIBANK CANADA OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. STANDARD & POOR'S MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR CONDITIONS, AND EXPRESSLY DISCLAIM ALL WARRANTIES OR CONDITIONS OF MERCHANTABILITY, MERCHANTABILITY QUALITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ANY OTHER EXPRESS OR IMPLIED WARRANTY OR CONDITION WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL STANDARD & POOR'S HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

While Standard & Poor’s currently employs certain methodology to calculate the Index, no assurance can be given that Standard & Poor’s will not modify or change such methodology in a manner that may affect any amount which may be payable to the Holders. Standard & Poor’s is under no obligation to continue the calculation and dissemination of the Index. Citibank Canada and Citibank, N.A. shall have no responsibility for the calculation and dissemination of either of the Index or any errors or omissions therein.

### **The Nasdaq-100 Index<sup>®</sup>**

Launched in January 1985, the Nasdaq-100 Index<sup>®</sup> represents the largest non-financial domestic and international securities listed on the Nasdaq Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain securities of financial companies including investment companies. The Nasdaq-100 Index<sup>®</sup> is calculated under a modified capitalization-weighted methodology. The methodology is expected to retain in general the economic attributes of capitalization-weighting while providing enhanced diversification. To accomplish this, Nasdaq will review the composition of the Nasdaq-100 Index<sup>®</sup> on a quarterly basis and adjust the weightings of Index components using a proprietary algorithm, if certain pre-establish weight distribution requirements are not met.

### *Initial Eligibility Criteria*

To be eligible for initial inclusion in the Index, a security must be listed on the Nasdaq Stock Market and meet the following criteria:

- the security's U.S. listing must be exclusively on the Nasdaq Stock Market (unless the security was dually listed on another U.S. market prior to January 1, 2004 and has continuously maintained such listing);
- the security must be of a non-financial company;

- the security may not be issued by an issuer currently in bankruptcy proceedings;
- the security must have average daily trading volume of at least 200,000 shares;
- if the issuer of the security is organized under the laws of a jurisdiction outside the U.S., then such security must have listed options on a recognized options market in the U.S. or be eligible for listed-options trading on a recognized options market in the U.S.;
- only one class of security per issuer is allowed;
- the issuer of the security may not have entered into a definitive agreement or other arrangement which would likely result in the security no longer being Index eligible;
- the issuer of the security may not have annual financial statements with an audit opinion that is currently withdrawn;
- the issuer of the security must have "seasoned" on Nasdaq or another recognized market (generally, a company is considered to be seasoned if it has been listed on a market for at least two years; in the case of spin-offs, the operating history of the spin-off will be considered); and
- if the security would otherwise qualify to be in the top 25% of the securities included in the Index by market capitalization for the six prior consecutive month-ends, then a one-year "seasoning" criterion would apply.

#### *Continued Eligibility Criteria*

In addition, to be eligible for continued inclusion in the Index, the following criteria apply:

- the security's U.S. listing must be exclusively on the Nasdaq Stock Market (unless the security was dually listed on another U.S. market prior to January 1, 2004 and has continuously maintained such listing);
- the security must be of a non-financial company;
- the security may not be issued by an issuer currently in bankruptcy proceedings;
- the security must have average daily trading volume of at least 200,000 shares (measured annually during the ranking review process);
- if the issuer of the security is organized under the laws of a jurisdiction outside the U.S., then such security must have listed options on a recognized options market in the U.S. or be eligible for listed-options trading on a recognized options market in the U.S. (measured annually during the ranking review process);
- the security must have an adjusted market capitalization equal to or exceeding 0.10% of the aggregate adjusted market capitalization of the Index at each month-end. In the event a company does not meet this criterion for two consecutive month-ends, it will be removed from the Index effective after the close of trading on the third Friday of the following month; and
- the issuer of the security may not have annual financial statements with an audit opinion that is currently withdrawn.

In administering the Index, Nasdaq will exercise reasonable discretion as it deems appropriate.

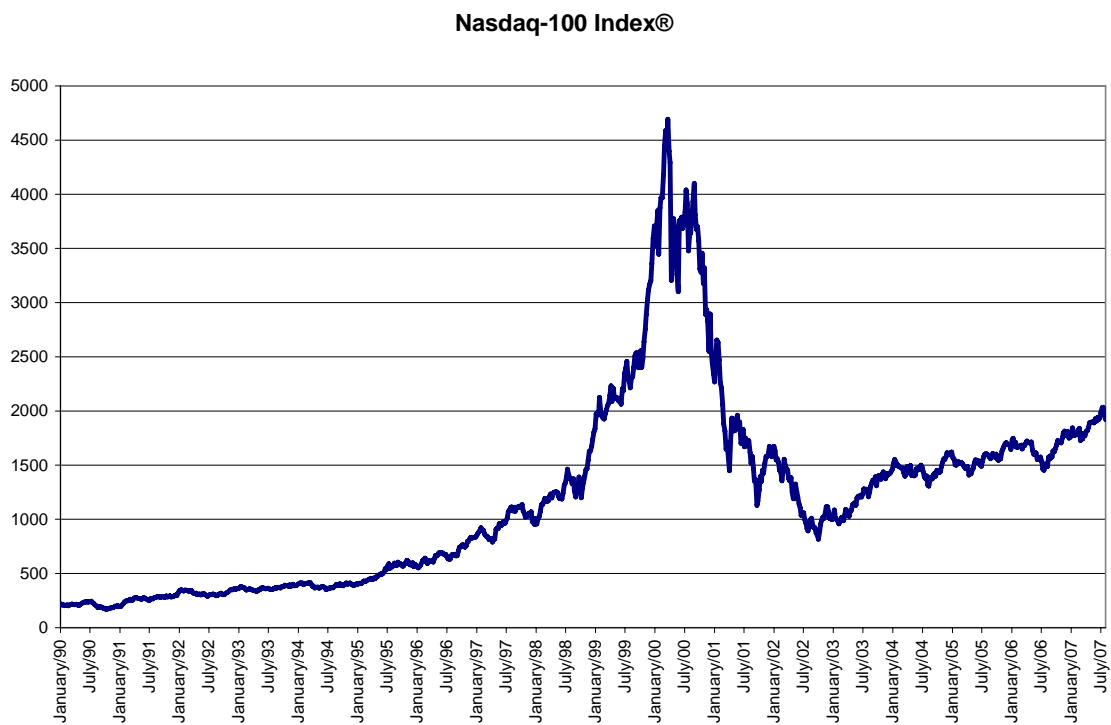
#### *Ranking Review*

Except under extraordinary circumstances that may result in an interim evaluation, Index composition is reviewed on an annual basis as follows (such evaluation is referred to herein as the "Ranking Review"). Securities listed on The Nasdaq Stock Market which meet the applicable eligibility criteria are ranked by market value. Index-eligible securities which are already in the Index and which are ranked in the top 100 eligible securities (based on market value) are retained in the Index. A security that is ranked 101 to 125 is also retained, provided that such security was ranked in the top 100 eligible securities as of the previous Ranking Review. Securities not meeting such criteria are replaced. The replacement securities chosen are those Index-eligible securities not currently in the Index that have the largest capitalization. The data used in the ranking includes end of October Nasdaq<sup>®</sup> market data and is updated for total shares outstanding submitted in a publicly filed SEC document via EDGAR through the end of November.

Generally, the list of annual additions and deletions is publicly announced via a press release in the early part of December. Replacements are made effective after the close of trading on the third Friday in December. Moreover, if at any time during the year an Index security is determined by Nasdaq® to become ineligible for continued inclusion in the Index based on the continued eligibility criteria above, the security will be replaced with the largest market capitalization security not currently in the Index and meeting the initial Index eligibility criteria listed above.

In addition to the Ranking Review, the securities in the Index are monitored every day by Nasdaq® with respect to changes in total shares outstanding arising from secondary offerings, stock repurchases, conversions, or other corporate actions. Nasdaq® has adopted the following weight adjustment procedures with respect to such changes. Changes in total shares outstanding arising from stock splits, stock dividends, or spin-offs are generally made to the Index on the evening prior to the effective date of such corporate action. If the change in total shares outstanding arising from other corporate actions is greater than or equal to 5.0%, the change will be made as soon as practicable, normally within ten (10) days of such action. Otherwise, if the change in total shares outstanding is less than 5%, then all such changes are accumulated and made effective at one time on a quarterly basis after the close of trading on the third Friday in each of March, June, September, and December. In either case, the Index share weights for such Index Securities are adjusted by the same percentage amount by which the total shares outstanding have changed in such Index Securities.

The following chart shows the price performance of the Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:



*Disclaimer*

The Notes are not sponsored, endorsed, sold or promoted by The Nasdaq Stock Market, Inc. (including its affiliates) (Nasdaq®, with its affiliates, are referred to as the “Corporations”). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes. The Corporations make no representation or warranty, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly, or the ability of the Nasdaq-100 Index® to track general stock market performance. The Corporations’ only relationship to Citibank Canada (the “Licensee”) is in the licensing of the “Nasdaq-100®”, “Nasdaq-100 Index®”, and “Nasdaq®” trademarks or service marks, and certain trade names of the Corporations and the use of the Nasdaq-100 Index

which is determined, composed and calculated by Nasdaq<sup>®</sup> without regard to Licensee or the Notes. Nasdaq<sup>®</sup> has no obligation to take the needs of the Licensee or the owners of the Notes into consideration in determining, composing or calculating the Nasdaq-100 Index<sup>®</sup>. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Notes.

**THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ-100 INDEX<sup>®</sup> OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ-100 INDEX<sup>®</sup> OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ-100 INDEX<sup>®</sup> OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

### **Nikkei 225<sup>™</sup> Index**

The Nikkei 225<sup>™</sup> Index is a stock index calculated, published and disseminated by NKS that measures the composite price performance of selected Japanese stocks. The Nikkei 225<sup>™</sup> Index currently is based on 225 underlying stocks (the “Nikkei Underlying Stocks”) trading on the Tokyo Stock Exchange (“TSE”) representing a broad cross-section of Japanese industries. All 225 Nikkei Underlying Stocks are stocks listed in the First Section of the TSE. Stocks listed in the First Section of the TSE are among the most actively traded stocks on the TSE. NKS rules require that the 75 most liquid issues (one-third of the component count of the Nikkei 225<sup>™</sup> Index) be included in the Nikkei 225<sup>™</sup> Index.

The 225 companies included in the Nikkei 225<sup>™</sup> Index are divided into six sector categories: Technology, Financials, Consumer Goods, Materials, Capital Goods/Others and Transportation and Utilities. These six sector categories are further divided into 36 industrial classifications as follows:

- Technology — Pharmaceuticals, Electrical Machinery, Automobiles, Precision Machinery, Telecommunications;
- Financials — Banks, Miscellaneous Finance, Securities, Insurance;
- Consumer Goods — Marine Products, Food, Retail, Services;
- Materials — Mining, Textiles, Paper and Pulp, Chemicals, Oil, Rubber, Ceramics, Steel, Nonferrous Metals, Trading House;
- Capital Goods/Others — Construction, Machinery, Shipbuilding, Transportation Equipment, Miscellaneous Manufacturing, Real Estate; and
- Transportation and Utilities — Railroads and Buses, Trucking, Shipping, Airlines, Warehousing, Electric Power, Gas.

The Nikkei 225<sup>™</sup> Index is a modified, price-weighted index (i.e., an Nikkei Underlying Stock’s weight in the index is based on its price per share rather than the total market capitalization of the issuer) which is calculated by (i) multiplying the per share price of each Nikkei Underlying Stock by the corresponding weighting factor for such Nikkei Underlying Stock (a “Weight Factor”), (ii) calculating the sum of all these products and (iii) dividing such sum by a divisor (the “Divisor”). The Divisor was initially set at 225 for the date of May 16, 1949 using historical numbers from May 16, 1949, the date on which the TSE was reopened. The Divisor was 24.293 as of April 3, 2007 and is subject to periodic adjustments as set forth below. Each Weight Factor is computed by dividing ¥50 by the par value of the relevant Nikkei Underlying Stock, so that the share price of each Nikkei Underlying Stock when multiplied by its Weight Factor corresponds to a share price based on a uniform par value of ¥50. The stock prices used in the calculation of the Nikkei 225<sup>™</sup> Index are those reported by a primary market for the Nikkei Underlying Stocks (currently the TSE). The level of the Nikkei 225<sup>™</sup> Index is calculated once per minute during TSE trading hours.

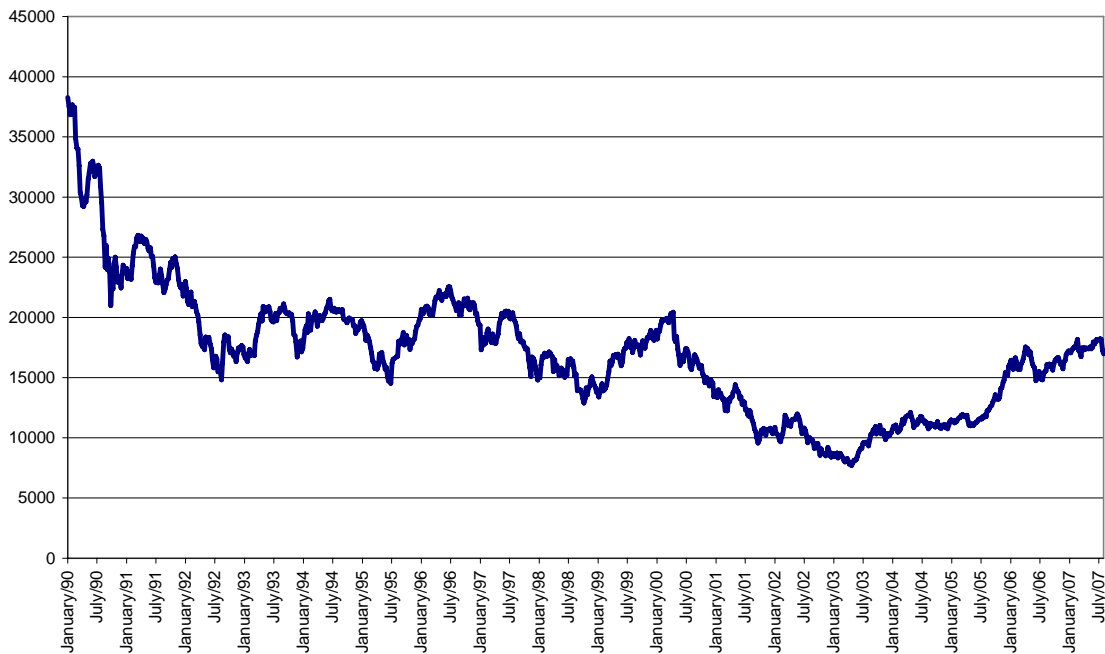
In order to maintain continuity in the Nikkei 225™ Index in the event of certain changes due to non-market factors affecting the Nikkei Underlying Stocks, such as the addition or deletion of stocks, substitution of stocks, stock splits or distributions of assets to stockholders, the Divisor used in calculating the Nikkei 225™ Index is adjusted in a manner designed to prevent any instantaneous change or discontinuity in the level of the Nikkei 225™ Index. Thereafter, the Divisor remains at the new value until a further adjustment is necessary as the result of another change. As a result of such change affecting any Nikkei Underlying Stock, the Divisor is adjusted in such a way that the sum of all share prices immediately after such change multiplied by the applicable Weight Factor and divided by the new Divisor (i.e., the level of the Nikkei 225™ Index immediately after such change) will equal the level of the Nikkei 225™ Index immediately prior to the change.

A Nikkei Underlying Stock may be deleted or added by NKS. Any stock becoming ineligible for listing in the First Section of the TSE due to any of the following reasons will be deleted from the Nikkei Underlying Stocks: (i) bankruptcy of the issuer, (ii) merger of the issuer with, or acquisition of the issuer by, another company, (iii) delisting of such stock, (iv) transfer of such stock to the “Seiri-Post” because of excess debt of the issuer or because of any other reason or (v) transfer of such stock to the Second Section. In addition, a component stock transferred to the “Kanri-Post” (Posts for stocks under supervision) is in principle a candidate for deletion. Nikkei Underlying Stocks with relatively low liquidity, based on trading value and rate of price fluctuation over the past five years, may be deleted by NKS. Upon deletion of a stock from the Nikkei Underlying Stocks, NKS will select a replacement for such deleted Nikkei Underlying Stock in accordance with certain criteria. In an exceptional case, a newly listed stock in the First Section of the TSE that is recognized by NKS to be representative of a market may be added to the Nikkei Underlying Stocks. In such a case, an existing Underlying Stock with low trading volume and deemed not to be representative of a market will be deleted by NKS.

NKS may delete, add or substitute any stock underlying the Nikkei 225™ Index. NKS first calculated and published the Nikkei 225 Index in 1970.

The following chart shows the price performance of the Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:

**Nikkei 225™ Index**



*Disclaimer*

The Nikkei 225<sup>TM</sup> Index is an intellectual property of Nikkei Inc. (formerly known as Nihon Keizai Shimbun, Inc. such name having been changed on January 1, 2007). “Nikkei”, “Nikkei Stock Average”, and “Nikkei 225” are the service marks of Nikkei Inc. Nikkei Inc. reserves all the rights, including copyright, to the Nikkei 225<sup>TM</sup> Index. Nikkei Digital Media, Inc., a wholly owned subsidiary of Nikkei Inc. calculates and disseminates the Nikkei 225<sup>TM</sup> Index under exclusive agreement with Nikkei Inc. Nikkei Inc. and Nikkei Digital Media Inc. are collectively “Index Sponsor”.

The Notes are not in any way sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the Nikkei 225<sup>TM</sup> Index or the figure as which the Nikkei 225<sup>TM</sup> Index stands at any particular day or otherwise. The Nikkei 225<sup>TM</sup> Index is compiled and calculated solely by the Index Sponsor. However, the Index Sponsor shall not be liable to any person for any error in the Nikkei 225<sup>TM</sup> Index and the Index Sponsor shall not be under any obligation to advise any person, including a purchaser or vendor of the Notes, of any error therein.

In addition, the Index Sponsor gives no assurance regarding any modification or change in any methodology used in calculating the Nikkei 225<sup>TM</sup> Index and is under no obligation to continue the calculation, publication and dissemination of the Nikkei 225<sup>TM</sup> Index.

**NIKKEI INC. EXPRESSLY DISCLAIMS ALL EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NIKKEI 225<sup>TM</sup> INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NIHON HAVE ANY LIABILITY (WHETHER IN NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY SPECIAL, PUNITIVE, DIRECT, INDIRECT, CONSEQUENTIAL, OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

#### **Russell 2000<sup>®</sup> Index**

The Russell 2000<sup>®</sup> Index offers investors access to the small-cap segment of the US equity universe. The Russell 2000<sup>®</sup> Index is constructed to provide a comprehensive and unbiased barometer for the small-cap segment and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

The Russell 2000<sup>®</sup> Index accounts for about 11% of the US equity market and contains the 2,000 smallest companies of the Russell 3000<sup>®</sup> Index. The Russell 3000<sup>®</sup> Index accounts for about 98% of the US equity market and contains the largest 3,000 companies incorporated in the United States and its territories. The companies are ranked by decreasing total market capitalization. All companies listed on any US exchange are considered for inclusion in the Index subject to the conditions described below.

#### *Minimum Trading Price*

Stocks must trade at or above US\$1.00 on May 31 to be eligible for inclusion in the Index. However, if a stock falls below US\$1.00 intra-year, it will not be removed from the Index until the next reconstitution if it is still trading below US\$1.00.

#### *Class of Stock*

Determining a company's inclusion in the Index is based on total market capitalization. Total market capitalization is determined by combining all common stock share classes (outstanding). If multiple share classes have been combined, the price of the primary vehicle (usually the most liquid) is used in our calculations.

#### *Primary Trading Vehicle*

Primary trading vehicles are determined by an objective equal-weighted matrix of relative trading volume, price and float-adjusted shares outstanding as of May 31. The common share class with the highest trading volume, price and float-adjusted shares outstanding (or highest combination of the three) will be considered the primary trading vehicle and its associated price and trading symbol will be included as a member in the Russell indexes.

Beginning with Reconstitution 2003, current members of the Russell 3000® Index with multiple common share classes will be evaluated according to a secondary matrix if the original matrix signals a membership change at reconstitution. Used only to evaluate current Russell 3000 members at reconstitution time, this secondary matrix has been established to gauge materiality of the differences between variables. While maintaining objective criteria, the purpose of the secondary matrix is to prevent small differences from influencing membership and causing share turnover. As such, variables will be excluded from the matrix if the difference between the current and alternate class is immaterial.

In the event that the secondary primary trading vehicle matrix results in a tie, preference will be given to the class having a combination of both materially higher trading volume and float-adjusted shares outstanding. Otherwise, when the matrix results in a “tie”, preference is given to the existing member.

Primary trading vehicles will be determined at reconstitution and maintained until the following reconstitution, unless significant corporate actions occur. In the event of a significant corporate action, the primary vehicle will be re-evaluated and could change based on the most current available information. In the event that the primary trading vehicle matrix has missing or identical data for each class, the primary trading vehicle will be determined based on available market information.

#### *Other Excluded Stocks*

Because the Index tries to capture performance of each company's primary equity vehicle, the following share types are not eligible for inclusion:

- Preferred and convertible preferred stock, redeemable shares, participating preferred stock, warrants and rights, trust receipts, royalty trusts, limited liability companies, bulletin board, pink sheet stocks, closed-end investment companies, limited partnerships, and foreign stocks;
- As a special exception, Berkshire Hathaway is also excluded.

#### *Deadline for Inclusion*

Stocks must be trading on May 31 and Russell must have access to documentation verifying the company's eligibility for inclusion. This information includes corporate description, incorporation, shares outstanding, and other information needed to determine eligibility. As a result, companies that start trading in June, or companies that started to trade prior to May 31, but failed to provide the required information, are excluded until the next reconstitution.

#### *“No Replacement” Rule*

Securities that leave the index, between reconstitution dates, for any reason (i.e., mergers, acquisitions, or other similar corporate activity) are not replaced. Thus, the number of securities in the indexes over the year will fluctuate according to corporate activity.

#### *Rule for Corporate Action-Driven Changes*

Beginning April 1, 2003 changes resulting from corporate actions will generally be applied at the open of the ex-date using the previous day's closing prices.

- Reclassification of shares, Mergers & Acquisitions, Spin-offs and Reorganizations: Adjustments will be made at the open of the ex-date using previous day closing prices;
- Re-incorporations and exchange delisting: Deleted entities will be removed at the open on the day following re-incorporation or delisting using previous day closing prices (including OTC prices for delisted stocks);

When acquisitions or merges take place within the Russell 3000 Index, the stock's capitalization moves to the acquiring stock. Shares are updated for the acquiring stock at the time the transaction is final. Prior to April 1, 2000, if the acquiring stock was a member of a different index (i.e., Russell 1000 or Russell 2000), the shares for the acquiring stock were not adjusted until month end.

### *Rule for Additions*

The only additions between reconstitution dates are as a result of spin-offs and initial public offerings. Spin-off companies are added to the parent company's index and capitalization tier of membership if the spin-off is large enough. To be eligible, the spun-off company's total market capitalization must be greater than the market-adjusted total market capitalization of the smallest security in the Russell 3000<sup>ETM</sup> Index at the latest reconstitution. As of March 2003, the spin-off company's style index is determined by the style index membership of the parent entity.

### *Quarterly IPO Additions*

Beginning September 2004, eligible IPOs are added to Russell US indexes at the end of each calendar quarter according to the schedule below. IPOs will be added to Russell's US Index family based on total market capitalization ranking within the market-adjusted capitalization breaks established during the most recent reconstitution. Market adjustments will be made using the returns of the broad market Russell 3000. Eligible IPOs will be added to the Russell style indexes using their industry's average style probability established at the latest reconstitution.

In order to be added during a quarter outside of reconstitution, Initial Public Offerings must meet all Russell US Index eligibility requirements. Additionally, IPOs must meet the following criteria on the final trading day of the month prior to quarter-end (1) price/trade and (2) rank larger in total market capitalization than the market-adjusted smallest company in the Russell 3000<sup>ETM</sup> Index as of the latest June reconstitution and (3) meet criteria listed in (1) and (2) during an initial offering period.

### *Updates to Share Capital Affecting the Indexes*

Each month, Russell indexes are updated for changes to shares outstanding as companies report changes in share capital to the SEC. Effective April 30, 2002 only cumulative changes to shares outstanding greater than 5% will be reflected in the Russell US indexes. This does not affect treatment of major corporate events, which are effective on the ex-date.

### *Weighting*

Stock included in the Russell 2000<sup>®</sup> index are weighted by available market capitalization after adjusting for float. The purpose of this adjustment is to exclude from market calculations the capitalization that is not available for purchase and is not part of the investing opportunity set<sup>1</sup>.

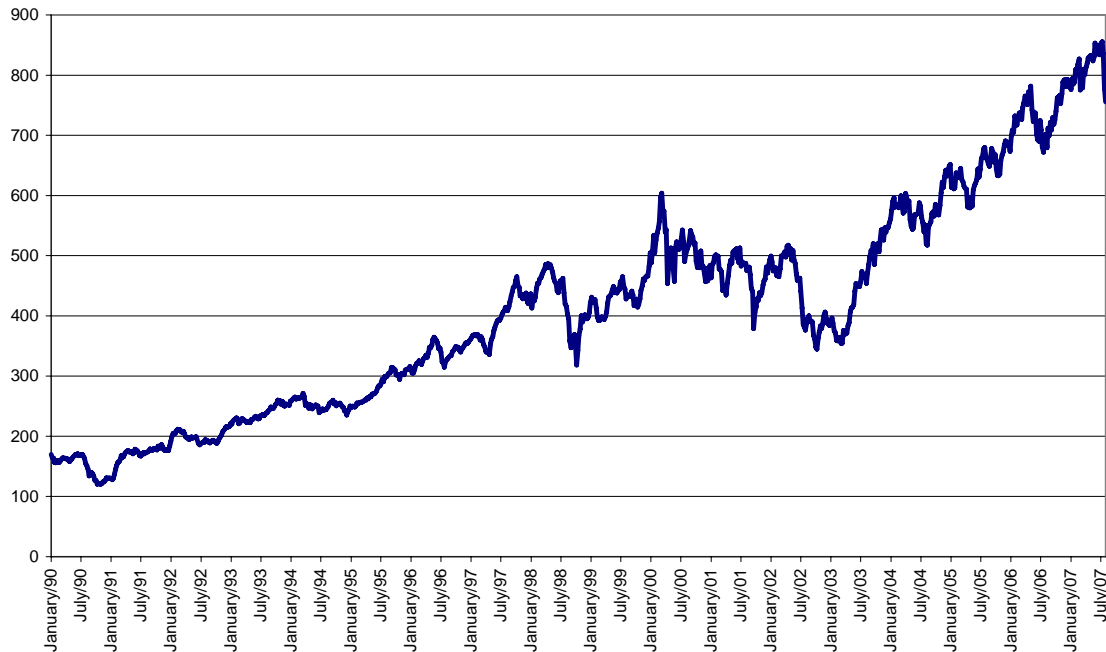
For more information, see [www.russell.com](http://www.russell.com).

The following chart shows the price performance of the Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:

---

<sup>1</sup> Failure to adjust for cross-holdings in stocks results in inflated valuation ratios such as P/E, P/Sales and ROE, but it does not affect B/P.

### Russell 2000® Index



#### Disclaimer

The Russell 2000® Index is a trademark of Frank Russell Company (“Russell”) and has been licensed for use by Citibank Canada. The Notes are not sponsored, endorsed, sold or promoted by Russell. Russell makes no representation or warranty, express or implied, to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly or the ability of the Russell 2000® Index to track general stock market performance or a segment of the same. Russell’s publication of the Russell 2000® Index in no way suggests or implies an opinion by Russell as to the advisability of investment in any or all of the securities upon which the Russell 2000® Index is based. Russell’s only relationship to Citibank Canada is the licensing of certain trademarks and trade names of Russell and of the Russell 2000® Index which is determined, composed and calculated by Russell without regard to Citibank Canada or the Notes. Russell is not responsible for and has not reviewed the Notes nor any associated literature or publications and Russell makes no representation or warranty express or implied as to their accuracy or completeness, or otherwise. Russell reserves the right, at any time and without notice, to alter, amend, terminate or in any way change the Russell 2000® Index. Russell has no obligation or liability in connection with the administration, marketing or trading of the Notes.

**RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE RUSSELL 2000® INDEX OR ANY DATA INCLUDED THEREIN AND RUSSELL SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. RUSSELL MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CITIBANK CANADA, INVESTORS, HOLDERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE RUSSELL 2000® INDEX OR ANY DATA INCLUDED THEREIN. RUSSELL MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE RUSSELL 2000® INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL RUSSELL HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**

## **FTSE<sup>®</sup> 100 Index**

The FTSE<sup>®</sup> 100 Index consists of the largest 100 UK companies, by full market value, which are eligible for inclusion. To qualify, companies must have a full listing on the London Stock Exchange with a Sterling or Euro dominated price on SETS, subject to eligibility screens. Changes to the constituents can be prompted by new listings on the exchange, corporate actions (e.g. mergers and acquisitions) or an increase or decrease in a market capitalisation.

### *Criteria for Additions and Removals*

In order to determine which companies will go into the FTSE<sup>®</sup> 100 Index, all eligible companies are ranked by market capitalisation. If a company not already in the FTSE<sup>®</sup> 100 ranks 90<sup>th</sup> or above, it automatically gains entry to the index and the lowest ranking FTSE<sup>®</sup> 100 company to move into the FTSE<sup>®</sup> 250 index. If a FTSE<sup>®</sup> 100 company ranks at 111 or below it will automatically be moved into the FTSE<sup>®</sup> 250 and the highest ranking FTSE<sup>®</sup> 250 company will move into the FTSE<sup>®</sup> 100 Index.

### *Fast Entry*

If a new issue is larger than 1% of the full market capitalisation of FTSE<sup>®</sup> All-Share it will normally be included in the FTSE<sup>®</sup> 100 after close on the first day of official trading. The lowest ranking constituent will be removed.

### *Eligible Stocks*

Only the eligible quoted equity capital of a constituent company will be included in the calculation of its market capitalisation. Where a company has two or more classes of equity, significant and liquid secondary lines will be included in the calculation of the market capitalisation of the company, based on the market price of that secondary line. Convertible preference shares and loan stocks will be excluded until converted. Companies whose business is that of holding equity and other investments (e.g. investment trusts) will be eligible for inclusion.

### *Free Float Rule*

Free float restrictions include:

- Trade investments in an index constituent either by another constituent (i.e. cross-holdings) or non-constituent company or entity
- Significant long term holdings by founders, their families and/or directors
- Employee share schemes (if restricted)
- Government holdings
- Portfolio investments subject to a lock in clause, for the duration of that clause

The following are not considered as restricted free float:

- Portfolio investments
- Nominee holdings (including those supporting ADRs & GDRs), unless they
- Represent restricted free float as defined above
- Holdings by investment companies

Free float restrictions will be calculated using available published information. The initial weighting of constituent in the index will be applied in the following bands:

- (a) Free float less than or equal to 15% = ineligible\*
- (b) Free float greater than 15% but less than or equal to 20% = 20%
- (c) Free float greater than 20% but less than or equal to 30% = 30%
- (d) Free float greater than 30% but less than or equal to 40% = 40%
- (e) Free float greater than 40% but less than or equal to 50% = 50%

- (f) Free float greater than 50% but less than or equal to 75% = 75%
- (g) Free float greater than 75% = 100%
- \* However, a company that has a free float greater than 5% but less than or equal to 15% will be eligible for the index providing the company's full market capitalisation (before the application of any investibility weight) is greater than USD 5.0bn. *This does not apply to a company, which following a take-over offer has a remaining free float of 15% or less*

#### *Liquidity Rule*

Securities which do not turnover at least 0.5% of their shares in issue, after the application of any free float restrictions per month in at least ten of the twelve months prior to the index review, will not be eligible for inclusion in the indices. An existing constituent failing to trade at least 0.5% of its shares in issue, after the application of any free float restrictions, per month for more than four of the twelve months prior to review will be removed. Any period when a share is suspended, it will be excluded from the above calculation. Newly listed companies will have their liquidity assessed on a pro-rata basis.

New issues, including demutualisations, which do not qualify as early entrants will become eligible for inclusion at the next quarterly review of constituents providing they have, since the commencement of Official nonconditional trading, a minimum trading record of at least 20 trading days prior to the date of the review and turnover of a minimum of 0.5% of their shares in issue, after the application of any free float restrictions, per month in each month. The inclusion of early entries, excluding demutualisations, will not require a minimum trading record.

In the case of demutualisations qualifying for early entry where, upon listing, the entire free float is immediately transferred to private shareholders, the addition to the FTSE<sup>®</sup> 100 Index will be deferred for 20 working days after Official non-conditional trading has commenced providing the securities have a turnover of a minimum of 0.5% of their shares in issue, after the application of any free float restrictions, during this period.

#### *Mergers, Restructuring and Complex Takeovers*

If a merger or takeover results in one constituent in the FTSE<sup>®</sup> 100 Index being absorbed by another constituent, the resulting company will remain a constituent of the appropriate index, and a vacancy will be created. This vacancy will be filled by selecting the highest ranking security in the appropriate Reserve List<sup>2</sup> as at the close of the index calculation two days prior to the deletion and related indices adjusted. If a constituent company in the FTSE<sup>®</sup> 100 Index is taken over by a non-constituent company, the original constituent will be removed and replaced by the highest ranking non-constituent on the appropriate Reserve List. Any eligible company resulting from the takeover will be eligible to become the replacement company if it is ranked higher than any other company on the Reserve List.

#### *Other Criteria for Removal*

If a constituent is delisted, ceases to have a firm quotation, is subject to a takeover offer which has been declared wholly unconditional or has, in the opinion of the Chairman and Deputy Chairman of the FTSE<sup>®</sup> Europe/Middle East/Africa Regional Committee (or their nominated deputies), ceased to be a viable constituent, it will be removed from the list of constituents. In the case of the FTSE<sup>®</sup> 100 Index the constituent will then be replaced by the highest ranking company eligible in the appropriate Reserve List as at the close of the index calculation two days prior to its deletion.

Removals and replacements are effected simultaneously, before the start of the index calculation on the second business day following the day on which the removal was announced.

---

<sup>2</sup> Reserve List - The Secretary to the FTSE Europe/Middle East/Africa Regional Committee will be responsible for publishing the six highest ranking non-constituents of the FTSE<sup>®</sup> 100 Index at the time of the periodic review. The appropriate Reserve List will be used in the event that one or more constituents are deleted from the FTSE<sup>®</sup> 100 Index during the period up to the next quarterly review.

### Criteria for re-inclusion

Constituents removed but which continue to trade thereafter will be considered for re-inclusion to the index at the next review. At least 6 months must have passed between the deletion and implementation date of the changes arising from the review.

### Weighting

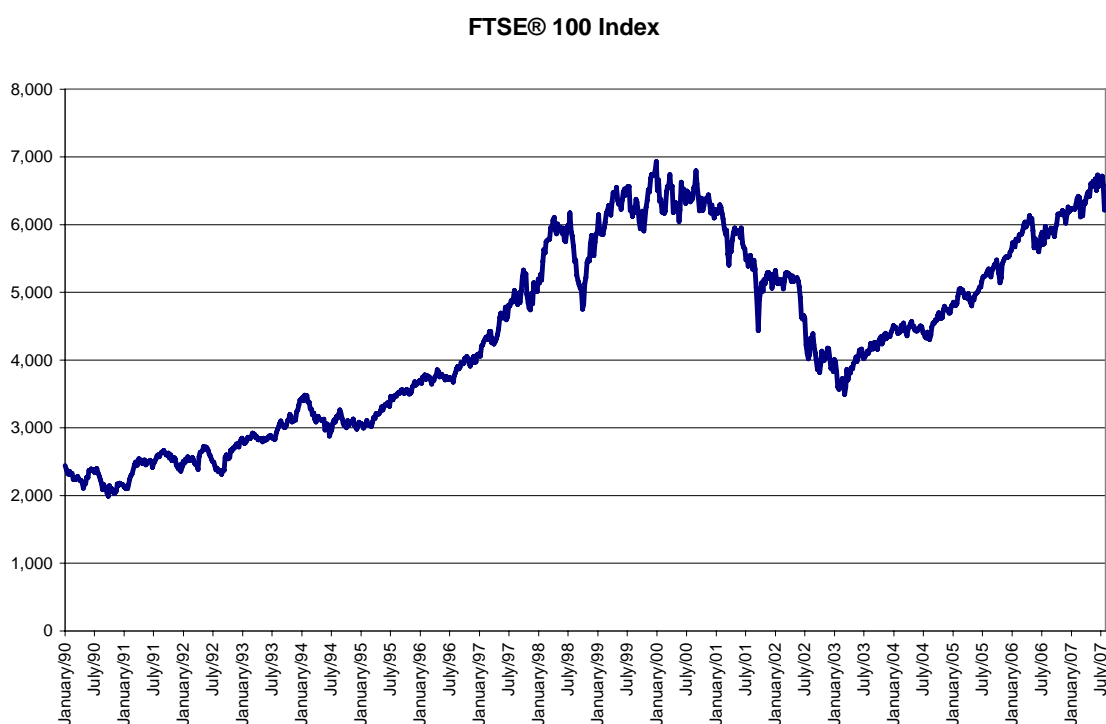
The FTSE® 100 Index is weighted by free – float market capitalization.

### Review Frequency

Constituents of the Index are reviewed each quarter in March, June, September and December.

For more information, see [www.ftse.com](http://www.ftse.com).

The following chart shows the price performance of the FTSE® 100 Index based on weekly data for the period from January 1, 1990 to and including August 3, 2007:



### Disclaimer

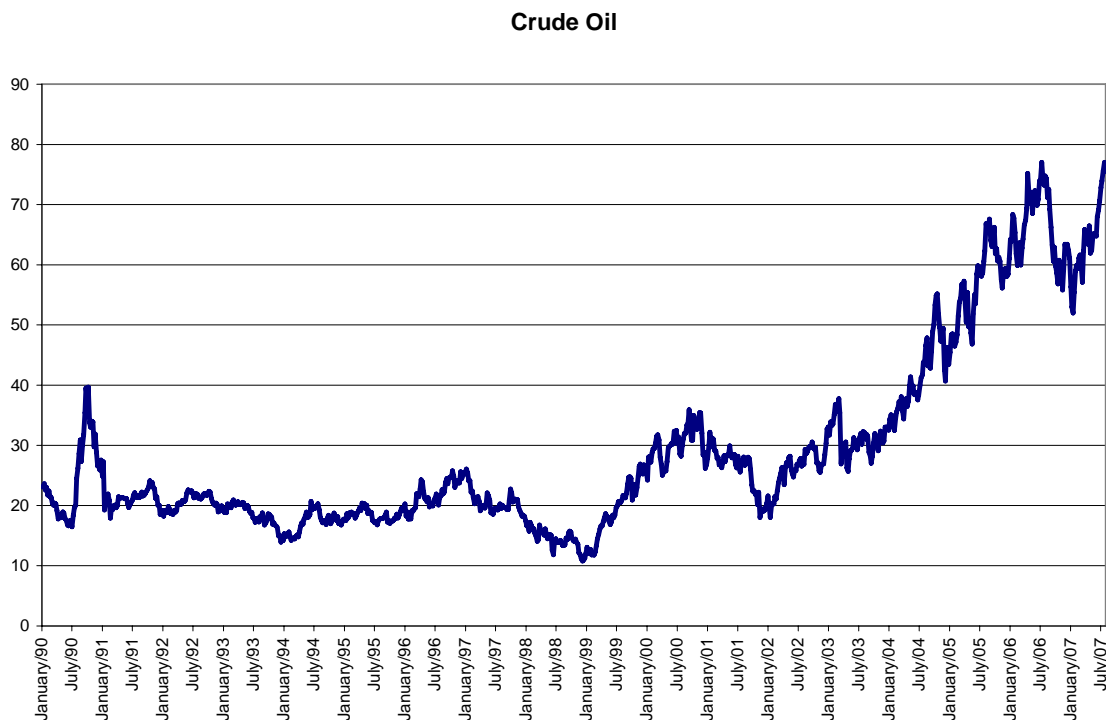
The Notes are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (“FTSE”) or by the London Stock Exchange Plc (the “Exchange”) or by The Financial Times Limited (“FT”) (together the “Licensor Parties”) and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE® 100 Index (“the Index”) and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

“FTSE®”, “FT-SE®”, “Footsie®”, FTSE4Good® and “techMARK®” are trade marks of the Exchange and the FT and are used by FTSE under licence. “All World®”, “All-Share®” and “All-Small®” are trade marks of FTSE.

## Crude Oil Price Index

The Crude Oil Price Index is an index based on the performance, from the Settlement Date, of the generic first future price in US dollars of one barrel of crude oil, as listed on the New York Mercantile Exchange. Crude oil is a naturally occurring liquid which all of the major refined oils of the world are produced from. Crude oil is the world's most actively traded commodity. Light, sweet (low sulphur) crudes are preferred by refiners because of their relatively high yields of high-value products such as gasoline, diesel fuel, heating oil and jet fuel.

The following chart shows the price performance of crude oil based on weekly for the period from January 1, 1990 to and including August 3, 2007:



## Citigroup® World Government Bond Index

The Citigroup® World Government Bond Index (the “WGBI”) is a market capitalization weighted benchmark that tracks the total return performance of the 23 government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Malaysia, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. The base date of WGBI is January 1985.

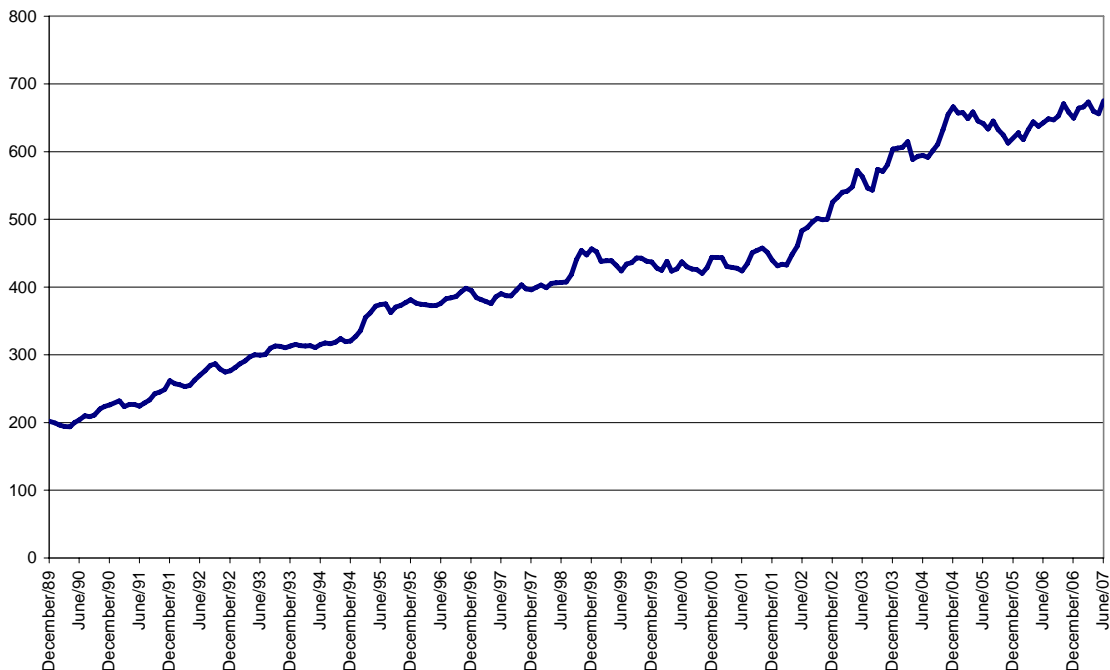
Market eligibility is determined by market capitalization and investability criteria. A market’s eligible issues must total at least US\$20 billion, €15 billion and ¥2.5 trillion for three consecutive months for the market to be considered eligible for inclusion. Once a market satisfies these criteria, it is added to the WGBI at the end of the following quarter. With the advent of EMU, the Euro-bloc is treated as a single market and individual EMU government debt markets are not subject to market size criteria.

There are also established guidelines by which markets exit the WGBI: a market is considered for exclusion when the market capitalization of eligible issues falls below half of all entry level criteria for three consecutive months. Once again, the market will be removed from the next month’s profile. Similarly, barriers to entry are considered a reason for exclusion. For example, if a market actively discourages foreign investor participation or does not show commitment to its own policies, it will be ineligible for inclusion even if it meets the size criteria. In addition, minimum credit quality of BBB-/Baa3 is required for all issuers to ensure that the WGBI remains an

investment-grade benchmark. If a below-investment-grade market is part of additional market indexes (i.e. indexes that include bond markets that do not qualify for inclusion in the WGBI based on the market capitalization criterion) and meets the other entry criteria and is upgraded to investment-grade by either rating agencies, it will be included in the WGBI at the end of the following quarter following the announcement. Similarly, any sovereign issuer in the WGBI will be removed from the WGBI profile if it is downgraded to below-investment-grade by either S&P or Moody's in the month immediately following the announcement.

The following chart shows the total return performance of the WGBI based on monthly data for the period from January 1990 to and including July 2007:

**Citigroup® World Government Bond Index**



*Disclaimer*

The Notes are not sponsored, endorsed, sold or promoted by Citigroup Index LLC or any of its affiliates (excluding Citibank Canada and Citibank, N.A.) (collectively, “CitiIndex”). CitiIndex makes no representation or warranty, express or implied, to the Holders or prospective holders of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly. The WGBI is determined, composed and calculated by CitiIndex without regard to Citibank Canada or the Notes. CitiIndex has no obligation to take the needs of Citibank Canada or the Holders or prospective holders of the Notes into consideration in determining, composing or calculating the WGBI. CitiIndex is not responsible for and has not participated in the determination of the prices and amount of the Notes or the timing of the issuance or sale of the Notes or in the determination or calculation of the equation by which the Notes are to be converted into cash. CitiIndex has no obligation or liability in connection with the administration, marketing or trading of the Notes. Citibank Canada is an affiliate of Citigroup Index LLC, and the Citigroup® World Government Bond Index and certain trademarks and trade names of CitiIndex have been licensed for use for certain purposes by Citibank Canada. CITIGROUP is a registered service mark and trademark of Citigroup Inc. and is used and registered throughout the world.

**CITIINDEX DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE WGBI OR ANY DATA INCLUDED THEREIN. CITIINDEX MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY CITIBANK CANADA, THE HOLDERS OR PROSPECTIVE HOLDERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE WGBI OR ANY DATA INCLUDED THEREIN. CITIINDEX MAKES NO EXPRESS OR**

**IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE WGBI OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL CITIINDEX HAVE ANY LIABILITY FOR ANY DIRECT, SPECIAL, PUNITIVE, INDIRECT, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.**